RKETING & MEDIA
DECISIONS
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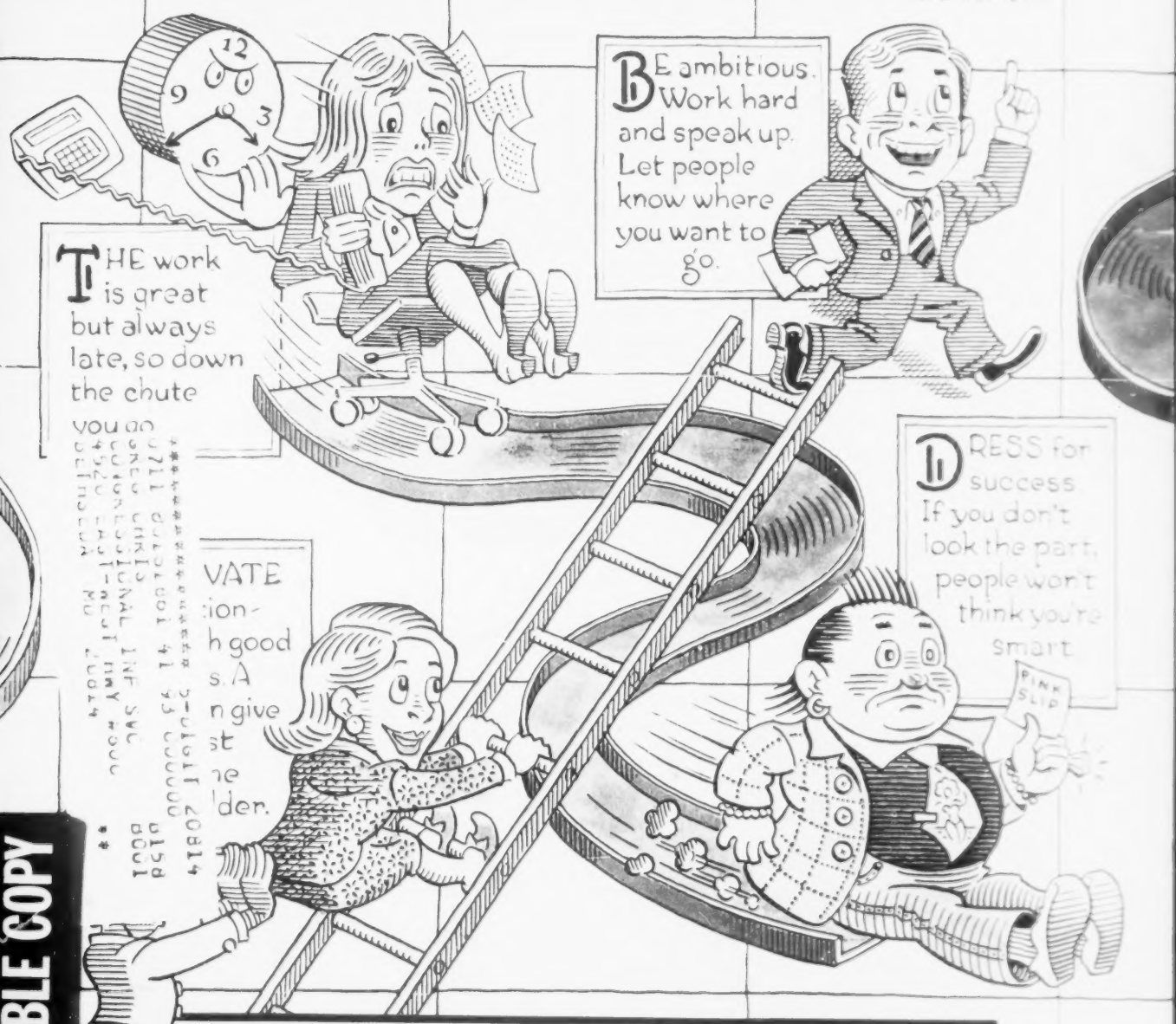
BE ambitious. Work hard and speak up. Let people know where you want to go.
THE work is great but always late, so down the chute you go
DRESS for success. If you don't look the part, people won't think you're smart.
PINK SLIP

Chutes and Ladders

To play the career game, you've got to know the rules. Media-department players share their tips on how to wind up a winner.

NEWSPAPER BRAND LEADERS

BLACK READERSHIP RUCKUS

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MARKETING & MEDIA DECISIONS

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A basic, general-interest magazine buy can reach a large segment of the black market, says BBDO. The implications of this conclusion, meanwhile, have Black-media professionals seeing red.

BBDO's Alligood realizes his Black readership report has caused a tempest. But he notes that "we are not beholden to anyone."

REACH VS

It's difficult enough to create the perfect print plan. When specific ethnic markets are targeted, however, the already sensitive atmosphere gets even more charged. Just ask Doug Alligood.

In his recent report on Black readership habits, Alligood, who is vice president of special markets at BBDO, touched a nerve by pointing out that publications such as *Ebony*, *Essence* and *Jet* do not stand alone for those advertisers interested in reaching the Black consumer. His statistical report, which uses Simmons figures to compare the ethnic reach of general-interest publications with Black publications, finds some substantial coverage of the Black market by some general-interest titles. Indeed, the report concludes that the best way to reach Blacks is through selective combinations of general-interest and Black-appeal books.

Alligood's measures could affect media plans in a variety of ways. "We plan to use it as a planning tool to help gauge reach to Black households," says John Belfiore, senior vice president and director of media planning at BBDO. "We will look at the report to find out what our coverage of the Black audience is and if we need to add Black media." Belfiore also notes that planners will consider the editorial environment even though the report examines readership on a quantitative basis only.

Still, publishers of Black magazines are upset because they are afraid that planners will use the report's finding that Black readership is high among some general-interest magazines as a way to rationalize why they aren't using Black media. They're also worried that these decisions will be based on the numbers of Blacks reached rather than the editorial environment.

The publishers of Black-appeal books claim they already have a tough time getting their message heard and understood. They say the study's implied message that their publications aren't the only and most important route to the Black market can only hurt them further. "This report has done a disservice to minority media," says Clarence Smith, president of *Essence* magazine. "I reviewed the entire report, and it essentially proves that Blacks don't live in a vacuum, that people read publications for various reasons," he adds. "But if the purpose is to look at the value of media, the report misses the point. It ought to look at how persuasive a publication is in reaching its audience."

John Johnson, chairman of the board at Johnson Publishing Co., seconds

ADAM CHINITZ

ENVIRONMENT

by Rebecca Fannin

Smith's interpretation. "Just because Blacks are reading these other publications doesn't mean they're believing them," says the founder of *Ebony, Jet* and *Ebony Man*. "Reaching is not selling," he argues. Contrary to Alligood's assertion that general media are more sensitive today to the Black audience, he believes the need for Black media is growing as Blacks and Whites grow "more polarized than ever."

Black publishers' doubts are seconded at Burrell Advertising, a Black-advertising agency, by Sarah Burroughs, senior vice president and general manager. "Even if you ignore the qualitative factors, you can't use general media to reach Blacks because the numbers of Black readers aren't high enough," she says.

Ken Smikle, publisher of *Target Market News*, a new tabloid that covers minority marketing, also disagrees with the report's conclusions. "To say that Black media should be a secondary consideration . . . that's just crazy."

The report is being treated as an op-

portunity, however, at *Emerge* magazine, the Black monthly whose launch was postponed last year to this fall. The title aims to come out of the gate with a circulation of 150,000. "This report encouraged me because it showed that Blacks are looking for something more," says Evrett Staten, national advertising director. "I'm not speaking negatively about the other books out there, but people need more than one or two books."

Emerge, with Time Inc. as one of its four investors, is aimed at an upscale Black readership. "We are looking to attract advertising that isn't traditionally in Black magazines, like Mercedes and BMW," says Staten.

At BBDO, Alligood is well aware of the tempest his report has created. "We are walking a fine line here, but we are not beholden to anyone," says Alligood, who based his recommendations on a special tabulation of Simmons' coverage and readership data. He concedes that BBDO could have "put more qualitative data in the report, but that the cost for additional data is high.

"People are wrong," Alligood adds, if they "look at this report and think we are trying to sabotage Black media. We're not saying that there isn't a need for minority publications," he says. "In fact, it would be ludicrous to use general media for a Black campaign. We are trying to show," he continues, "that Blacks are real people too. If a Black wants to read about golf, they are going to read *Golf Digest*, not a Black golfing magazine," says Alligood, who returned in 1984 to BBDO, where he had held media and marketing jobs for nine years, to create the two-person special-markets group.

Alligood further emphasizes that his report does examine the strong relationship Black magazines have with their readership. He points out that each publication is ranked by the percentage of Black households it is reaching. On this basis, *Parade* slightly trails leader *Ebony* magazine, and other major magazines such as *TV Guide*, *People*, *National Enquirer*, *Reader's Digest* and *Sports Illustrated* rate high, all largely as a function of their sizable circulations (see Chart I, pg. 48). An index that ranks publications according to their percentage of Black readership provides a different look. On this scoring system, *Parade*, for instance, doesn't show up on the list, and *Ebony*, *Essence* and *Jet* are the top of the list (see Chart II).

At *Parade*, publisher Carlo Vittorini says, "I wouldn't deliberately solicit" advertising specifically targeted to Blacks because it wouldn't be a cost efficient buy for the advertiser. He also believes that Black ads might have more relevance in Black publications. He further points out that if an advertiser specifically wanted to reach Blacks, *Parade* wouldn't be the best buy because of its extensive reach among non-Black households. But Vittorini acknowledges that it shouldn't be surprising that *Parade* ranks high because its readership is reflected by the number of newspapers who carry the magazine as a supplement: *Parade* is carried by newspapers in 85 of the top 100 major markets, he notes.

TV Guide isn't used much either to specifically target Blacks, according to Roger Good, New York ad manager. But because of the publication's mass circulation, sometimes it's used in combinations with Black magazines. The other way Black advertisers use *TV Guide* is by buying space in regional or local editions.

"It's clear that Blacks maintain a strong preference for Black-appeal publications," concludes Alligood, who most recently was president of Uniworld Inc., a minority-owned ad agency. Alligood notes, however, that there is a "realization that Black media cannot be all things to all Blacks." As the "proportion of Black readers of general media is increasing, general audience is becoming more responsive to the needs of Black audiences."

On that point, Alligood gets criticism too. "The general media may be using a few more Black models, but a cosmetic approach doesn't work," rebuts Smith at *Essence*. Blacks, he maintains, need specific details about the unique problems they face.

One reason this study is such a sore point may be that reports, including one in the *Wall Street Journal* last year, have noted a slowdown in advertising to Blacks. This point, too, gets a lot of dissension. Alligood estimates that some $350 million is spent in media targeted exclusively to Blacks. He includes Black publications and tv programs like *Soul Train* in that estimate, but excludes such shows as *Cosby*. Alligood also maintains that Black advertising has remained stagnant in the past few years, even though it rose sharply in the 1970s, because of competition for minority dollars from the Hispanic market.

Smikle says that Black media spending is $700 million. He bases his figure from client and agency sources, and he also incorporates advertisements in network tv programs like *Cosby* that specifically target Blacks with special creative. Unlike Alligood, Smikle argues that Black-media spending is the rise. He cites increased spending by such advertisers as Chrysler, Panasonic, Pizza Hut, Kinney Shoes and Disney.

Regardless of how the figures are compiled and interpreted, publishers of Black magazines have no qualms about talking of the tall moun-

SCOTT OSMAN

***Essence** publisher Smith argues that Black media has special value.*

CHART 1: TOP 20 PUBLICATIONS BY COVERAGE OF BLACK ADULTS

	BLACK ADULTS RANK	BLACK ADULTS COV	NON-BLACK ADULTS RANK	NON-BLACK ADULTS COV	TOTAL RANK	TOTAL COV	BLACK TOTAL REACH INDEX
EBONY	1	36.8%	63	0.7%	24	4.7%	778
PARADE MAGAZINE	2	35.5	1	35.7	1	35.3	100
JET	3	31.9	64	0.4	27	3.9	812
TV GUIDE	4	25.7	2	23.6	2	23.9	108
ESSENCE	5	17.4	65	0.2	45	2.1	818
PEOPLE	6	12.7	5	15.0	5	14.8	86
NATIONAL ENQUIRER	7	12.5	12	10.4	10	10.9	115
READER'S DIGEST	8	11.8	3	22.9	3	21.5	55
SPORTS ILLUSTRATED	9	10.2	11	10.8	11	10.8	94
TIME	10	9.4	7	13.7	6	13.3	70
USA WEEKEND	11	9.1	4	15.8	4	14.9	61
BETTER HOMES & GARDENS	12	8.3	8	12.9	8	12.3	68
STAR	13	7.7	21	6.0	18	6.3	122
MCCALL'S	14	7.3	16	8.2	15	8.0	91
NEWSWEEK	15	7.2	13	10.0	13	9.8	74
GOOD HOUSEKEEPING	16	6.7	9	11.9	9	11.2	60
PLAYBOY	17	6.2	23	5.1	23	5.1	120
LIFE	18	6.1	19	8.3	17	8.3	73
GQ	19	5.8	38	2.1	37	2.5	232
WOMAN'S DAY	20	5.7	12	9.7	12	8.5	59

SOURCE: Simmons, 1988 Study of Media & Markets

tain they are climbing in convincing advertisers to sign on. Although they realize that language differences make specialized advertising to the $134 billion Hispanic market crucial, they are annoyed that there aren't more advertisers chasing the $200 billion Black market. "If you figure that the 20.2 million Blacks over the age of 18 represent 11% of the population, they should be getting at least the same percentage of total dollars directed to them," contends Smith. But he notes that *Ebony*, *Essence* and *Black Enterprise* receive only 2% of total magazine spending ($988-$166 million), as measured by Publishers Information Bureau.

While some may follow that logic (McDonald's, for example, bases its spending on "share of stomach" because Blacks account for 15% of McDonald's business, 15% of the total marketing ad effort is directly targeted to this segment), some ad agency executives don't agree with Smith's reasoning. "I don't think there should be quota advertising," says Helen Johnston, vice president and associate media director at Grey Advertising. She says that media people have to make their decisions based upon whether the brand has a strong appeal among Blacks.

But Smith argues that "it is very possible that the general market is distanced from the experiences in the late 1960s. They see *Cosby* as the number-one show, *Oprah* as the number-one talk-show host and stars like Michael Jackson, and they say there's no problem. Or they see the Black underclass, which is about 5% of the population. They don't understand the needs of the Black middle class," he says, adding that he believes that at the general agencies, there is a "great deal of insensitivity and indifference."

Johnson adds that "a lot of these young people [who make the buying assumptions] are straight out of Ivy League schools, and they are relying on the computers to make judgments about media schedules." To get around this perceived problem, Johnson tries to pitch directly to the client. "We have to approach it company by company, CEO by CEO," says Johnson.

At *Essence*, Smith has targeted several agencies he believes should be giving his company more business, including BBDO. Smith says that he has identified 10 BBDO advertisers who should be using *Essence*, including Gillette Daisy Razor, Campbell Soup, Scott Paper, Smithkline Consumer Products and Pizza Hut.

At BBDO, Alligood reasons that some BBDO clients may have minority programs, but aren't using the agency for this effort. He figures that four BBDO clients have Black-advertising programs, and all but one, Delta Airlines, are using minority firms to do that advertising.

While not everyone agrees with BBDO's conclusions, the report is one important step in researching this market more thoroughly. "For the advertising generalist, BBDO's report is informative," says John McSherry, senior vice president and director of media resources at Bozell Inc. He points out the need for historical data to measure Black readership. "I think BBDO should have at least taken a two-year sample of Simmons data because the numbers can vary greatly," notes McSherry, who recently reported on Black television viewing habits.

Alligood does note that he plans to incorporate figures for two years in the 1990 report of Black publications. "The only reason we didn't this year is because you have to get started some time," says Alligood, adding that he was moved to begin because a number of clients had begun to examine their Black-publication spending.

You'd expect that publishers would rush to provide them with research data, but so far, they aren't. "Research can often be misleading," says Johnson. "Years of research went into the Edsel and look where that got. The point is that you can't rely entirely on research," he stresses. "You can't ignore the emotional element of Black media's value." ■

CHART 2: TOP 20 PUBLICATIONS BY PERCENTAGE OF BLACK ADULT READERS*

		TOTAL ADULTS (000)	BLACK (000)	PCT.
1	ESSENCE	3,758	3,390	90.2
2	JET	6,936	6,207	89.5
3	EBONY	8,341	7,153	85.8
4	GQ	4,432	1,135	25.6
5	THE WASHINGTON POST MAG.	2,419	516	21.3
6	WORKING MOTHER	1,731	321	18.5
7	ESQUIRE	2,514	457	18.2
8	SOAP OPERA DIGEST	4,481	787	17.6
9	WORKING WOMAN	2,536	435	17.2
10	INSIDE SPORTS	2,922	456	15.6
11	SPORT	2,950	437	14.8
12	BRIDE'S	2,539	360	14.2
12	TRUE STORY	3,858	549	14.2
14	STAR	11,067	1,493	13.5
15	PLAYBOY	9,055	1,200	13.3
16	SEVENTEEN	3,901	495	12.7
17	NATIONAL ENQUIRER	19,170	2,422	12.6
18	HARPER'S BAZAAR	2,991	374	12.5
19	1001 HOME IDEAS	3,799	452	11.9
19	TV GUIDE	42,061	5,003	11.9
	ALL MAGAZINES	176,250	19,434	11.0

*Percentages reflect share of each publication's total audience that is black.

SOURCE: Simmons, 1988 Study of Media & Markets

MARKETING & MEDIA

DECISIONS

1·9·8·8 NEWSPAPER BRAND LEADERS

THE FUTURE IS NOW

As the Future of Advertising project closes shop, it leaves the newspaper medium in an aggressive position to meet national marketers' mandates. In these tough years, their follow-through could make all the difference.

by Richard Szathmary

There had been a lot of gloomy talk around the newspaper business last year concerning the state of its art, and there's no denying it was a rough year. How rough? That depends on whose numbers you use.

Newspaper advertising figures and classification breakouts for 1988 as reported by Media Records (under new Leading National Advertisers ownership) confirm some publishers' worst fears — overall, national ad investments in newspapers fell 6.1% in 1988 in the categories measured.

Publishers saw all segments of their business under increased competitive pressure, both nationally and locally, and national in particular showed some troubling shifts. Among them, according to Media Records, business & consumer services were off 39.7% to $851 million; travel, hotels and resorts stalled at $872.8 million, -0.8%; and publishing and media cooled 4.5% to $228.2 million.

But not all the news was bad news. On the up side, Media Records reports cigarettes & tobacco, a category that is troubling many other media, increased 15.8% to $73.7 million, while automotive, auto accessories & equipment eked out a +2.6% performance to equal $831.1 million. Food & food product investments for the first time reflect FSI investments, however, so any euphoria inspired by the 355% increase to $273.9 million for the category is not really justified (see category listing, pg. 60).

The Newspaper Advertising Bureau, which uses Media Records as a base but then factors in data from members and publicly-held newspaper companies, is a bit more upbeat. The association says it was right on target with its overall forecast for newspaper advertising in 1988. Going by the NAB's preliminary estimates,

MEDIA RECORDS METHODOLOGY

Media Records measures advertising expenditures and space in participating newspapers — currently 202 daily and Sunday papers in over 70 cities. Please note that the Media Records information in the BAR LNA Multi-Media Service excludes data for *Parade*, *USA Weekend*, *New York Times Magazine* and *Los Angeles Times Magazine*. This information appears as newspaper supplement figures, as measured by the Leading National Advertisers.

Display advertising is reported (full or part run) and grouped within four major categories: retail, general, automotive and financial. General and automotive categories are defined by Media Records as national advertising.

Advertising expenditures are based on one-time open inch rates and are projected to the top 125 markets for the general and automotive (national) categories. Financial and retail advertising expenditures are not projected and represent data for 47 and 44 markets respectively.

Only Media Records brands spending $25,000 or more year-to-date are included in the BAR/LNA Multi-Media service. In addition, retail brands are included only if they are active in three or more markets. ■

the final figures for newspaper advertising were $31.2 billion, a 6.1% increase over 1987's $29.4 billion. Under a different classification system than Media Records', this breaks down as $15.8 billion for retail, +4.0% over 1987; $11.8 billion for classified, +10.1%; and $3.6 billion for national, +2.6%. This of course, is revenue; John Morton, in his report for newspaper reps Cresmer, Woodward, O'Mara & Ormsbee, shows linage down 1% to 2% in retail; up 1% to 2% in classified and down 3% to 4% in national (see "Print Beat," pg. 17).

1 • 9 • 8 • 8
NEWSPAPER
BRAND LEADERS

Any increases, therefore, were difficult to come by in 1988. Regarding the national picture, "Everybody's experiencing continued softness," comments Bill Steiger, director of advertising at the *Orlando (Fla.) Sentinel*. "With all the mergers and acquisitions going on, we shouldn't be surprised. My sense is that the players in national have cut back on their advertising budgets overall. They're not just picking on newspapers."

To hold on, the key word last year for publishers was flexibility — the newspaper industry spent a lot of time selling the concept to advertisers, current and potential alike, and almost every presentation out of the NAB, by the way of illustration, offered the familiar litany that newspapers now have color, lots of special sections, one order/one bill networks and standard advertising units (SAUs) to ease the buying process.

Many of these new selling tools are the products of the Future of Advertising project, a joint effort of the NAB and the ANPA that recently closed its doors after three years of rethinking every aspect of the newspaper business. Other examples just now bearing fruit include a bid to up business for newspapers' weekend tv logs and daily tv sections.

Jerry Tilis, former president of the *Detroit Free Press* (just named to that title is Robert Hall, former *Press* executive vice president and general manager), marketing vice president at parent Knight-Ridder Newspapers and a past FoA task-force master, spelled out the project to this year's INAME meeting in San Francisco. Despite the $600 million spent to promote programing, he said, newspapers have historically gotten only a small piece of the action. "The reason why newspapers do not get more of this business is that our weekend tv sections are produced in a bewildering array of sizes and formats," he said. "The advertiser faces the same problems of incompatible ad sizes and added production expense that we faced with all our ROP advertising before the advent of SAUs."

An effort to standardize tv listings and logs is underway.

Accordingly, the FoA's Standardiza-

To cover Houston, split your buy between the two biggest newspapers:

tion Task Force came up with six recommended standard tv ad sizes, called TMAUs for Television Magazine Advertising Units, as well as recommendations that newspapers adopt a standard size for their tv logs.

Then there's the well known island position in the middle of the stock listings that, notes Tilis, more than 250 newspapers have already adopted. On the national level, the NAB has already had success selling the concept to USAir and National Car Rental; locally, financial institutions and other advertisers seeking to reach business audiences have bought it.

Some 250 papers have adopted the floating island position.

The Standardization Task Force also recommended papers eliminate minimum size requirements for color ads, and it urged acceptance of the standard contract language in SRDS. Some 74% and 78% of newspapers, respectively, have complied with these recommendations, according to Tilis, while the Standard Advertising Invoice (SAI), which both industry associations have been working on for years, has a current 66% compliance rate.

Related to the SAU are the Standard Advertiser Codes, which 52% of the NAB's member papers have adopted or are in the process of adopting. Basically, the codes are a system translating advertising data into universal sets of numbers. Tilis terms the codes "the basic sales intelligence we all need" and stresses that at last newspapers have a chance to exchange information and for advertisers in turn to then easily avail themselves of it in multiple market buys. (In this regard, please note that the 1988 Media Records numbers reflect some new methodologies.)

There are also recommendations from the FoA Pricing and Positioning Task Force, which Tilis headed, involving simplified rate structures and repeat rates to national advertisers. This task force is further urging newspapers to take a good, long look at their national/retail rate differential and at categories the FoA is trying hard to develop as a business opportunity, such as beer and over-the-counter drugs.

The guiding principle behind all these efforts is that the medium must redefine itself in strategic terms. Relationships with advertisers are recreated each time a marketing problem presents itself, and each effort is unique.

One such relationship is with American Express, which during the summer of '88 bought 13 one-third of a page ads for 13 consecutive weeks on either the weather or the adjacent page of 13 large-circulation newspapers (including the *New York Times* and *The Washington Post*) to advertise its traveler's checks services. The *Chicago Sun-Times* even developed a special travel

1 • 9 • 8 • 8 NEWSPAPER BRAND LEADERS

The daily Chronicle and The Sunday Chronicle.

The Chronicle reaches Houstonians with astonishing ease. For instance, one daily Chronicle ad reaches more readers than two insertions in the city's other daily newspaper. And on Sunday? One Chronicle ad reaches more readers than the other paper does with five weeks of Sunday ads.

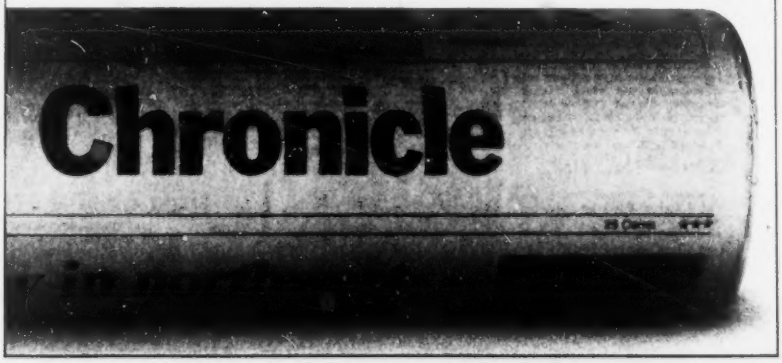
You even get a big discount for a frequency buy in The Chronicle. Just ask about Chron-Flight when you talk to Ad Sales at (713) 220-7761.

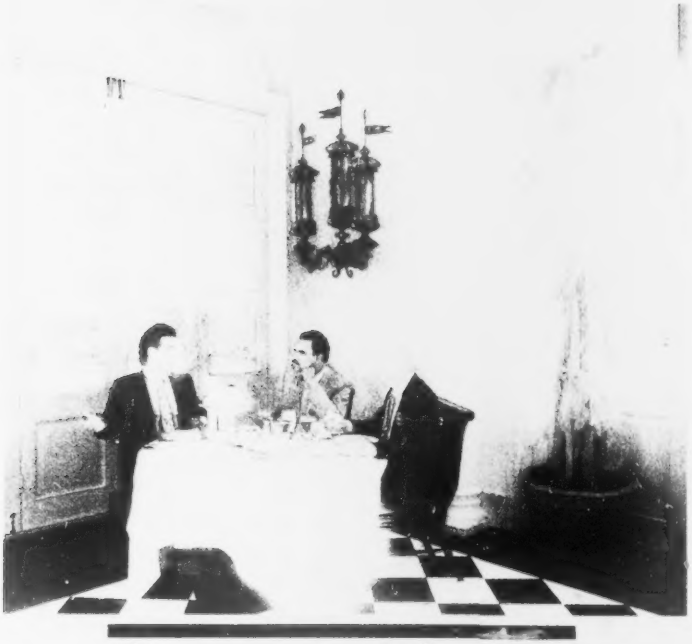
One phone call, and you'll get Houston's top two newspapers. Smart!

Houston Chronicle
Houston's primary advertising investment

Chronicle Reach—Adults 18+

66% 1 Sunday & 3 daily ads
61% 1 Sunday & 2 daily ads
58% 1 Sunday & 1 daily ad
51% 1 Sunday ad
40% 1 daily ad
Source: 1988 Scarborough Report, Houston P.M.S.A.





Southern Knights

They are the men of New Orleans—knights of the round table who don't discuss the lands of their fiefdoms, but aggressive strategies for the businesses they own. Their battles aren't fought on vast, green fields, but in the corporate world of enterprise.

And the money they have isn't spent on suits of armor, fine horses, or sprawling castles. Our Southern knights spend it on fashionable clothing, fast cars, flights to Europe and high-tech toys for grown-up boys.

For an introduction, call Lester Key at (504) 826-3000.

The Times-Picayune's Weekly Coverage of Southern Knights

	%	Total
All Men 18+	87	458,000
Executive/Professional		
Chief Wage Earner	90	151,000
Black	82	99,000
$50,000 Household Income	92	76,000
College Education	90	228,000

Source: Belden CMS, May-Dec. 1987

Location: Courtesy Moran's Riverside Restaurant/French Quarter, New Orleans

The Times-Picayune

ADSAL

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1988 NEWSPAPER BRAND LEADERS

page for the ads, because its weather page was already committed to other advertisers. By Amex's own estimate, the campaign reached 350 million newspaper readers.

Unfortunately, and for reasons beyond their control, even the best newspaper strategists have considerable trouble today with the other side of that coin—tactics.

The best illustration of these problems concerns retail advertising, which according to the SAB contributed to 51% of newspaper ad revenues for 1988, with 28¢ of every dollar of said business coming from department and general merchandise stores. According to Media Records, however, national retail newspaper advertising is down overall 9.8%, while department store advertising is down 6% over 1987.

Wanton consolidation and radical rethinking at retail management levels has all but redefined retail's relationship with its most common media outlet. Sears offers a telling example. Faced with relentless competition and eroding customer loyalty, the massive chain redrew its business plan, and the media plan along with it. Local Sears store managers, for example, will no longer place advertising in their local newspapers—so much for years of developing a symbiotic relationship between a local retailer and a newspaper. And corporate pressure for deeper volume discounts and other incentives are taking a bite out of the business the newspapers do get from the chain.

Tough times aren't limited to national. Retail advertising is under siege from a variety of competitors, and the business itself is in flux.

To some, such developments were inevitable and may in fact be welcomed to help force the industry into a more proactive mode. "Newspapers have started to relate more intelligently to the retail industry," says John Murphy, senior vice president of retail sales at Knight Ridder Inc. and a past alumnus of the National Retail Merchants Association and the NAB. "Sears started everybody reevaluating the retail advertisers. And that's good because the whole business is changing. There's suddenly a rededication to understanding the needs of our primary accounts. That includes looking at our own personnel in terms of service to them. They are going to have to be strongly marketing-oriented in the future."

One positive development to come out of 1988, notes Murphy, is that "ROP is beginning to take off. Retailers are starting to rethink ROP as an option; it's suddenly cost effective."

This is loosely confirmed by analyst Morton, who comments in his report for Cresmer, Woodward, "We do not wish to go overboard on the shift back to ROP, since it has been predicted fairly regularly by hopeful newspaper managers for some time. After all, it has been reasoned on many occasions, preprints have about reached the saturation point . . . Without asserting that the great shift back has for certain begun, we will take note of considerable anecdotal evidence that many department-store advertisers in several major markets . . . have indeed increased their ROP spending at the expense of preprint."

Then, as always, there is the problem of classified advertising, which newspapers view as increasingly vulnerable to erosion from a variety of other sources. The FoA's subcommittee on classified reports, "For every dollar now spent in daily newspaper classified advertising, 38¢ is being spent by the same advertisers in other media, not including the yellow pages . . . and the proportion is growing."

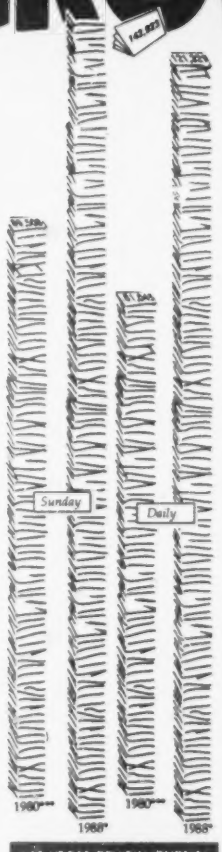
Newspapers, however, are hardly lacking in response to this challenge. Defensive moves include creating their own specialized magazines for classified ads, as well as additional strategies covering research, rates, training and promotion. In both classified and retail, publishers are also experimenting with working in cooperation with other local media, which until now have been viewed as the enemy, to maximize coverage and impact.

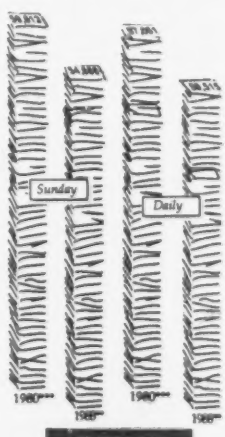
So, what's ahead? Craig Standen, president of the NAB, predicts 1989 total newspaper advertising expenditures will grow 6% again — national will be up 4%, retail 6% and classified 8%. It's another tough year, many say, but the new tools and new thinking could help ease the sting. "We've got to be proficient across the board," says Knight Ridders' Murphy. "If newspapers can grasp that and can show their major accounts that they understand their specific marketing needs, then this industry is in for a big revival. But it will take major re-evaluation for who we are and what we can do for our accounts." ■

1 • 9 • 8 • 8
NEWSPAPER
BRAND LEADERS

GROWING

with one of the fastest growing markets





That's the way things are stacking up according to the new ABC audits. After eight years, the Review-Journal has gained 50% in daily circulation and 60% on Sunday, while the Sun has decreased in circulation by 11% daily and 8% on Sunday and all this while the Las Vegas population increased 47%! To all our subscribers and advertisers, a glowing "Thanks" for choosing the newspaper that's growing along with today's Las Vegas — your R-J.

For more information and a copy of the 1988 Belden Readership Survey call Trudy Patterson at 702·383·0362

LAS VEGAS REVIEW-JOURNAL

For the way you live today

Represented Nationally by The Papert Companies.

*ABC Audited Publishers Statement, Las Vegas Review-Journal, for six months ended September 30, 1988. **ABC Reinstatement Audit, Las Vegas Sun, average paid circulation for six months ended September 30, 1988. ***ABC Audit Reports for 12 months ended September 30, 1980 for both the Las Vegas Review-Journal and the Las Vegas Sun. Calculations by the Review-Journal Marketing Department.

1·9·8·8 NEWSPAPER BRAND LEADERS

Rank	1988 Investments (000)	1987 Investments (000)	Percent Change
1. General Motors Corp	$86,834.8	$83,841.0	3.6
2. Texas Air Corporation	82,440.8	66,646.9	23.7
3. Philip Morris	76,667.6	46,010.8	66.6
4. RJR Nabisco Inc	37,704.2	12,934.2	191.5
5. American Telephone & Telegraph Co	32,689.7	32,610.3	0.2
6. American Express Co	30,144.9	29,098.3	3.6
7. Warner Communications Inc	29,834.1	24,246.5	23.0
8. General Electric Co	29,356.6	33,120.7	-11.4
9. Automobile Tires Local Dealers	28,940.7	27,278.9	6.1
10. AMR Corporation	28,671.4	36,653.5	21.8
11. Pan American World Airways Inc	28,472.8	20,905.6	36.2
12. Trans World Airlines	27,646.3	24,235.7	14.1
13. Gulf & Western Inc	25,698.1	25,125.9	2.3
14. Delta Air Lines Inc	25,325.8	21,135.2	19.8
15. Ford Motor Company	25,271.8	34,568.1	-26.9
16. General Mills Inc	24,688.8	2,771.3	790.9
17. Columbia Pictures Entertainment Inc	23,176.4	16,308.9	42.1
18. Walt Disney Company	22,865.8	24,608.5	-7.1
19. Go Go Tours	22,793.3	21,025.5	8.4
20. NYNEX Corporation	22,529.2	18,143.0	24.2
21. Procter & Gamble Co	21,976.7	4,242.5	418.0
22. Daimler-Benz AG	21,070.3	19,752.3	6.7
23. News Corp Ltd	20,778.1	27,587.0	-24.7
24. MCA Inc	20,538.7	15,019.8	36.7
25. USAIR Group Inc	17,874.5	18,971.3	-5.8
26. Kellogg Company	17,198.6	259.0	6540.4
27. International Business Machines Corp	17,129.9	18,133.2	-5.5
28. BF Goodrich Local Dealers Distributors	16,661.5	23,159.4	-28.1
29. MGM UA Communications Co	16,510.7	8,057.8	104.9
30. Nestle Company	16,363.3	2,954.9	453.8
31. Ralston Purina Co	16,160.7	2,812.7	474.6
32. Carnival Cruise Lines	16,102.4	10,812.9	48.9
33. Unilever NV	15,917.4	1,209.6	1215.9
34. U.S. Government	15,685.1	19,642.9	-20.1
35. Holiday Corporation	15,185.5	17,110.4	-11.2
36. Quaker Oats Co	14,207.7	1,401.6	913.7
37. Capital Cities ABC Inc	13,994.4	15,182.8	-7.8
38. Orion Pictures Corp	13,342.1	10,487.1	27.2
39. Pocono Model Village World	12,716.0	15,004.4	-15.3
40. Braniff	12,572.5	8,941.2	40.6
41. Time Inc	12,202.8	12,501.0	-2.4
42. Elsinore Corporation	11,749.2	10,909.7	7.7
43. Chrysler Corporation	11,611.6	33,059.1	-64.9
44. H J. Heinz Company	11,498.7	4,972.3	131.3
45. Campbell Soup Co	10,997.4	2,383.0	361.5
46. Hallmark Cards Inc	10,994.0	7,021.4	56.6
47. Sara Lee Corporation	10,925.0	4,022.5	171.6
48. Anheuser-Busch Companies Inc	10,192.3	9,386.5	8.6
49. B A T. Industries	10,091.0	8,072.7	25.0
50. BMW	10,074.9	9,577.9	5.2
51. Peninsular & Oriental STM Navigation	9,871.4	10,147.3	-2.7
52. United Technologies	9,817.2	9,025.2	8.8
53. UAL Corporation	9,578.8	15,885.4	-39.7
54. United Kingdom	9,517.8	7,705.5	23.5
55. Coca-Cola Company	9,503.5	5,159.7	84.2
56. American Brands Inc	9,463.4	6,153.6	53.8
57. Bridgestone Tires Local Dealers	9,384.0	13,295.7	-29.4
58. Southwest Airlines	9,376.8	8,749.5	7.2
59. Marriott Corporation	9,265.9	8,815.2	5.1
60. Kloster Cruise Ltd	9,181.3	5,002.2	83.5
61. BCI Holding Corp	8,980.0	778.3	1053.8
62. Caesars World Inc	8,843.5	6,883.6	28.5
63. Gibbons Green Van Amerongen Inc	8,762.7	6,638.6	32.0
64. Bally Manufacturing	8,408.3	8,025.0	4.8
65. Pleasant Hawaiian Holidays	8,408.3	7,597.1	10.7
66. CBS Inc	8,291.4	6,780.0	22.3
67. Mobil Corporation	8,284.2	6,183.0	34.0
68. Avis Inc	8,254.4	7,726.9	6.8
69. Nissan Motor Company Ltd	8,153.5	5,302.3	53.8
70. Pillsbury Company	8,076.6	1,646.4	390.6
71. Alamo Rent-A-Car	8,027.3	9,161.0	-12.4
72. American Home Products Corp	7,998.4	22.3	3498.0
73. Hilton Hotels Corp	7,953.5	4,864.9	63.5
74. International Telephone & Telegraph	7,634.7	10,230.4	-25.4
75. Pepsico Inc	7,577.4	9,354.1	-19.0
76. Eastman Kodak Co	7,546.4	2,092.2	260.7
77. Ameritech	7,495.5	8,453.1	-11.3
78. NWA Inc	7,484.8	7,064.9	5.9
79. Maytag Company	7,459.5	6,272.9	18.9
80. Volkswagen AG	7,432.3	9,027.9	-17.7
81. Trafalgar House Investment Ltd	7,338.3	7,762.1	-5.5
82. Park Ridge Corp	7,133.8	13,064.3	-45.4
83. Trump Organization	7,019.5	7,337.7	-4.3
84. Cellular One	6,847.1	5,203.0	31.6
85. Pacific Telesis Group	6,715.2	5,626.5	19.3
86. Hattori Corporation	6,695.3	6,906.5	-3.1
87. Bristol-Myers	6,627.0	490.3	1251.6
88. Advance Publications	6,626.2	6,751.0	-1.8
89. General Host Corp	6,572.9	5,974.7	10.0
90. Borden Inc	6,546.2	3,295.9	98.6
91. GTE Corporation	6,537.4	5,537.0	18.1
92. Primerica Corporation	6,388.5	1,164.9	448.4
93. Hearst Corporation	6,357.1	6,574.9	-3.3
94. Merrill Lynch & Co	6,216.7	5,188.0	19.8
95. Chandris Cruises Inc	6,181.9	5,095.0	21.3
96. Admiral Cruises Inc	6,148.3	6,110.5	0.6
97. Bertelsmann AG	6,132.7	6,836.2	-10.3
98. C. Itoh & Company	6,088.1	22,242.3	-72.6
99. Royal Caribbean Cruise Line Inc	5,997.2	7,324.8	-18.1
100. AMC Theaters	5,927.9	5,340.6	11.0
Total top 100 advertisers	1,540,206.2	1,291,988.1	19.2

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NEWSPAPER BRAND LEADERS

	1988 $(000)	1987 $(000)	Percent Change
Airlines			
Continental	41,296.9	35,706.1	15.7
Eastern Air Lines	40,803.0	30,575.2	33.5
American Airlines	28,671.4	35,500.8	-19.2
Apparel/Footwear Stores			
Hudson Apparel	3,512.4	3,332.5	5.4
Burlington Coat Factory	3,024.2	3,682.2	-17.9
Today's Man	2,969.6	1,490.4	99.2
Automobiles — Domestic			
Chevrolet	24,198.6	20,817.6	16.2
Oldsmobile	17,876.5	14,188.1	26.0
Ford	10,897.8	14,177.8	-23.1
Automobiles — Imported			
Mercedes Benz	17,340.5	19,523.5	-11.2
BMW	8,606.5	9,186.5	-6.3
Nissan	7,341.0	4,670.2	57.2
Automobile Dealers			
Ford Local	46,731.9	32,755.7	42.7
Chevrolet	38,153.5	27,103.6	40.8
Ford Dealers Assoc	25,018.4	16,608.5	50.6

1988 NEWSPAPER BRAND LEADERS

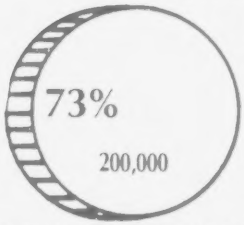
	1988 $(000)	1987 $(000)	Percent Change
Banks			
Chase Manhattan	10,137.3	6,979.3	45.2
Chemical Bank	8,796.2	9,538.6	-7.8
Citibank	8,320.3	14,692.6	-43.4
Book Publishers			
Random House	1,984.4	1,681.7	18.0
Bantam	1,926.8	2,249.5	-14.3
Morrow	1,880.3	1,505.0	24.9
Brokers			
Merrill Lynch	5,480.6	4,249.5	29.0
Prudential-Bache Securities	1,865.1	2,809.8	-33.6
Drexel Burnham Lambert	1,689.4	2,885.0	-41.4
Cable Television			
CBN Cable Television	5,032.2	5,170.7	-2.7
ESPN	3,596.5	3,735.3	-3.7
Home Box Office	3,126.0	4,329.5	-27.8
Cereals			
Kellogg	14,953.1	156.0	9,485.3
Nabisco	4,399.7	100.3	4,286.5
Post	3,418.9	60.7	5,532.5
Cigarettes			
Marlboro	16,923.1	11,533.2	46.7
Merit	11,382.2	394.7	2,783.8
Capri	5,853.2	3,542.6	65.2
Coffee & Tea			
Maxwell House	2,216.5	159.9	1,286.2
Folgers	1,354.1	399.5	238.9
Lipton Tea	1,253.4	660.4	89.8
Computers			
IBM	14,308.0	10,888.7	31.4
Apple	3,787.4	8,404.0	-54.9
Epson	2,378.7	3,866.4	-38.5
Cookies & Crackers			
Nabisco	5,417.9	151.2	3,483.3
Keebler	3,509.7	49.8	6,947.6
Sunshine	742.7	146.4	407.3

1·9·8·8 NEWSPAPER BRAND LEADERS

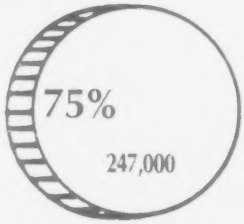
	1988 $(000)	1987 $(000)	Percent Change
Credit Cards			
American Express	13,064.1	11,835.5	10.4
MasterCard	925.3	416.9	121.9
Discover	89.9	783.6	-88.5
Cruise Lines			
Carnival Cruise Lines	11,487.6	9,165.4	25.3
Cunard Line Ltd.	7,236.9	7,650.9	-5.4
Chandris & Fantasy Cruises	6,181.9	3,704.7	66.9
Department Stores			
Sears	153,543.4	168,007.7	-8.6
Macy's	149,765.0	142,418.6	5.2
Penney's	73,202.2	88,541.7	-17.3
Electronics Stores			
Circuit City	29,653.5	25,123.5	18.0
Radio Shack	26,976.9	32,978.0	-18.2
Federated Group	15,639.0	17,531.1	-10.8

WELL-HEELED

$35,000 + INCOME HOUSEHOLDS
NEWSPAPER READERS



TOTAL DAILY READERS 276,000



TOTAL SUNDAY READERS 328,000

In San Antonio, 73 percent of daily newspaper readers and 75 percent of Sunday readers who earn $35,000 or more annually read the EXPRESS-NEWS.

If you want to reach San Antonio's "Well Heeled Market" and give your ad dollars an extra boot, call or write us today.

SOURCE: Scarborough's 1987 Newspaper Audience Ratings Study.

Express-News

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Represented Nationally by Branham Newspaper Sales, Inc.

1·9·8·8 NEWSPAPER BRAND LEADERS

	1988 $(000)	1987 $(000)	Percent Change
Fitness & Diet Programs			
Weight Watchers Int'l	3,740.8	4,536.3	-17.5
Nutri System Weight Loss Centers	3,587.7	3,080.4	16.5
Jack LaLanne Health Spas	3,091.7	3,085.2	0.2
Food Stores			
Safeway	28,679.1	34,131.2	-16.0
Vons Markets	24,758.1	22,315.8	10.9
Giant Food Stores	23,684.1	25,396.9	-6.7
Frozen Foods			
Betty Crocker Dinners	1,706.2	57.4	2,872.5
Stouffer Frozen Entrees	1,383.2	75.9	1,722.4
Swanson Frozen Foods	918.1	76.6	1,098.6
Fruit Juices			
Minute Maid	2,505.7	242.1	935.0
Tropicana	2,338.3	1,740.5	34.3
Kool-Aid	1,510.0	26.7	5,555.4

Back East Somewhere
WHEN ARE QUIGLEY'S CAJUN CORN FLAKES GOING NATIONAL?
...AS SOON AS WE TEST 'EM IN PORTLAND...
Portland, Ore.
MILK
Quigley's NEW CAJUN CORNFLAKES

Portland, Oregon is the second most popular test market in the United States.*

The daily newspaper here: The Oregonian. So why not find out more about Portland's attractive demographic profile? For more information call Brian Bounous, General Advertising Manager, at (503) 221-8279. Experienced guinea pigs are standing by.

The Oregonian

Represented nationally by Newhouse Newspapers

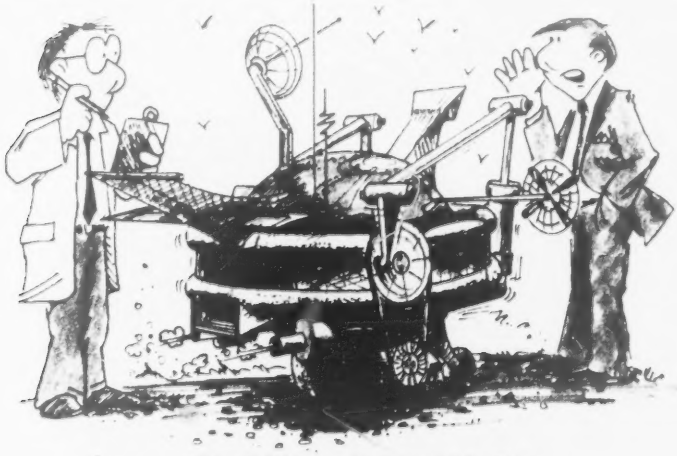
*Source: Scarborough Research Corporation, Based on actual new products tested.

1 • 9 • 8 • 8 NEWSPAPER BRAND LEADERS

	1988 $(000)	1987 $(000)	Percent Change
Furniture			
Leather Center	5,825.6	3,934.5	48.1
RB Furniture	3,623.5	3,769.7	−3.9
Ethan Allen Galleries	1,284.7	942.1	36.4
Garden Machinery			
Snapper	5,014.8	6,692.7	−25.1
Toro	3,785.6	3,950.3	−4.2
Lawn Boy	2,913.8	2,430.2	19.9
Gas, Power & Lighting Co.			
Commonwealth Edison	1,775.3	1,298.3	36.7
Washington Gas Light	1,390.0	237.4	485.5
Florida Power & Light	1,055.6	610.6	72.9
Gasoline & Oil			
Mobil	5,739.3	5,164.3	11.1
Texaco	2,968.3	762.1	289.5
Amoco	1,026.3	834.4	23.0
Government Agencies			
U S Postal Service	4,237.1	11,551.6	−63.3
Veterans Administration	3,570.3	564.1	532.9
U S Army	2,374.1	1,079.3	120.0
Hotels & Resorts			
Hyatt Hotels	10,001.2	9,569.0	4.5
Caesars Hotels & Resorts	8,843.5	6,844.6	29.2
Holiday Inn	8,019.7	8,762.1	−8.5
Insurance — Miscellaneous			
Prudential	2,462.8	2,571.5	−4.3
Allstate	2,286.4	1,005.2	127.5
Aetna Life & Casualty	1,533.0	397.9	+285.3
Jewelry & Gift Stores			
Tourneau Corner Jewelers	2,043.3	1,716.8	19.0
Moranos of Fifth Avenue	1,444.3	1,758.7	−17.9
Choice Seating Gallery	1,232.7	870.9	41.5
Laundry Detergents			
Surf	1,020.6	206.4	394.5
Fab	1,007.6	35.3	2,754.4
Tide	986.8	46.0	2,045.2

1 • 9 • 8 • 8 NEWSPAPER BRAND LEADERS

	1988 $(000)	1987 $(000)	Percent Change
Mail Order — Apparel			
Haband	3,235.2	588.4	449.8
Roger Dunn	1,672.1	2,437.1	-31.4
Britches of Georgetown	928.0	876.7	5.9
Mail Order — Collectibles			
Franklin Mint	5,244.2	3,228.9	62.4
Hamilton Collection	1,914.1	155.7	1,129.4
New England Collectors Society	887.7	1,284.2	-30.9
Mail Order — Miscellaneous			
Fingerhut	5,500.7	32.7	16,721.7
Egghead Software	5,459.0	2,664.4	104.9
Durham House	2,816.3	3.6	78,130.6
Major Appliances			
General Electric	4,618.2	7,413.8	-37.7
Maytag	3,573.7	3,518.8	1.6
Jenn-Air	1,507.0	772.6	95.1



"Great idea — but you'd better test it in Toledo to see if it flies!"

Have you noticed that more marketers are testing in Toledo? Look in the 3/89 issue of Sales & Marketing Management, and you'll find Toledo on five lists of the nation's most frequently used test markets. To see if your product flies, test it in Toledo; and cume metro adults in the Blade: 76% with 5 daily issues; 87% with 4 Sundays.

CALL DIRECT, COLLECT: 419/245-6400

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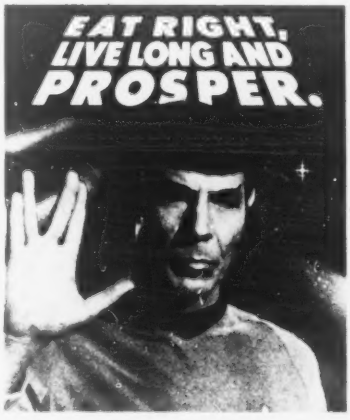
One Of America's Great Newspapers

General Advertising Division, Don Earnhart, Manager
Member, Metropolitan Sunday Newspapers



EATING RIGHT IS HIGHLY LOGICAL.

Recommendations:
Eat high-fiber foods, such as fruits, vegetables, and whole grain products. Eat fewer high-fat foods. Maintain normal body weight. And live long and prosper.

CALL THE AMERICAN CANCER SOCIETY AT 1-800-ACS-2345 FOR FREE NUTRITION INFORMATION.

AMERICAN CANCER SOCIETY

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1 • 9 • 8 • 8 NEWSPAPER BRAND LEADERS

	1988 $(000)	1987 $(000)	Percent Change
Meats, Poultry & Fish			
Perdue Meat Products	2,026.7	3,015.4	−32.8
Eckrich Meats	1,882.4	290.5	548.0
Oscar Mayer Meats	1,869.4	172.9	981.2
Motion Pictures			
Warner Bros.	27,833.7	21,212.9	31.2
Paramount Pictures	20,468.7	20,633.7	−0.8
Columbia Pictures	18,956.5	9,722.3	95.0
Mutual & Money Funds			
Fidelity Funds	3,809.5	13,392.3	−71.6
Dreyfus Funds	3,618.9	8,609.4	−58.0
Franklin Distributors	3,054.1	4,054.9	−24.7
Pet Foods			
Purina	7,424.3	1,086.6	583.3
Ken-L Ration	2,264.9	11.7	19,258.1
Alpo	1,810.5	288.5	527.6
Public Utilities			
ATT Technologies	11,003.0	7,635.7	44.1
GTE Communications	1,083.8	866.9	25.0
Ameritech Publishing	653.0	664.9	−1.8
Real Estate, Brokers & Developers			
Model Village World Real Estate	6,612.8	8,162.9	−19.0
Pocono Model Village World Real Estate	6,103.2	6,841.5	−10.8
M.J. Raynes Real Estate	1,489.5	496.6	199.9
Restaurants			
Little Caesar	1,260.0	2,452.9	−48.6
Burger King	765.4	459.4	66.6
Dunkin Donuts	577.5	1,170.5	−50.7
Retail — Miscellaneous			
Walgreen Drugs	14,013.1	21,347.7	−34.4
Channel Home Centers	12,394.3	13,933.0	−11.0
Pep Boys Auto Parts	9,908.3	5,026.2	97.1
Soft Drinks			
Coca-Cola	5,209.5	3,876.7	34.4
Pepsi	3,842.2	5,864.1	−34.5
RC	943.8	710.1	32.9

1 • 9 • 8 • 8 NEWSPAPER BRAND LEADERS

	1988 $(000)	1987 $(000)	Percent Change
Sporting Goods/Toy Stores			
Toys-R-Us	14,822.6	21,729.7	-31.8
Hermans Sporting Goods	13,487.6	13,962.1	-3.4
Oshmans Sporting Goods	11,576.1	8,842.7	30.9
Telephone Companies			
American Telephone & Telegraph Co.	20,370.6	22,816.4	-10.7
New York Telephone Co.	12,398.7	12,015.5	3.2
NYNEX Corporation	6,887.4	4,557.4	51.1
Television Stations			
NBC Television Network	7,821.9	6,810.9	14.9
ABC Television Network	3,635.4	3,088.9	17.7
KNBC	3,087.6	3,589.3	-14.0
Travel Services			
Liberty Travel	19,240.6	16,935.3	13.6
American Express Travel Service	10,796.4	10,704.1	0.9
Pleasant Hawaiian Holidays	8,378.3	7,589.3	10.4

Where the newspaper really reaches the market

- 92% reach in the 2-county DMA with a daily and Sunday ad in The World-Herald
- Ranked 4th in market penetration on Sunday in newspapers DMAs with 150,000 or more households
- Ranked 8th in market penetration daily in newspaper DMAs with 150,000 or more households

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U.S. General Services Administration

1·9·8·8 NEWSPAPER BRAND LEADERS

Classification	Newspaper Ad Expenditures 1988 $(000)	1987 $(000)	Percent Change	9-Media Ad Expenditures 1988 $(000)	1987 $(000)	Percent Change
AIRPLANES, AVIATION ACCESSORIES, SERVICES & EQUIPMENT	**2,511.8**	**2,134.6**	**17.7**	**16,187.7**	**14,176.5**	**14.2**
APPAREL, FOOTWEAR & ACCESSORIES	**21,090.5**	**19,883.8**	**6.1**	**789,905.4**	**696,197.8**	**13.5**
Ready-to-wear	5,404.7	9,875.3	-45.3	298,588.3	282,148.2	5.8
Underclothing, sleepwear & lounging apparel	4,518.9	949.1	376.1	149,938.8	157,868.9	-5.0
Footwear	7,497.9	6,858.0	9.3	179,037.4	111,719.4	60.3
Accessories, notions & misc. apparel	1,189.1	1,849.1	-35.7	30,833.2	23,987.0	28.5
Hosiery	2,330.9	63.3	3,582.3	75,792.2	67,658.4	12.0
Apparel fabrics & finishes	122.3	214.2	-42.9	42,127.0	43,241.3	-2.6
Luggage & accessories (incl. briefcases)	26.7	74.8	-64.3	12,914.5	9,259.3	39.5
AUTOMOTIVE, AUTO ACCESSORIES & EQUIPMENT	**831,111.3**	**809,866.6**	**2.6**	**4,739,347.6**	**4,161,391.8**	**13.9**
Passenger cars & vehicles	727,185.4	668,876.6	8.7	3,868,750.6	3,332,248.7	16.1
Trucks & vans (incl. leasing & rental)	24,559.6	47,870.6	-48.7	543,636.4	508,446.0	6.9
Motor homes, mobile homes & campers	1,474.4	2,075.8	-29.0	3,071.6	5,020.6	-38.8
Tires & tubes	69,378.3	81,989.5	-15.4	142,862.5	147,816.6	-3.4
Automotive Accessories, equipment & misc.	8,513.6	9,054.1	-6.0	181,026.5	167,859.5	-7.8
BEER, WINE & LIQUOR	**35,715.8**	**39,361.8**	**-9.3**	**1,156,125.2**	**1,189,812.3**	**-2.8**
Beer	20,096.6	19,598.4	2.5	756,416.5	717,249.1	5.5
Wine	4,005.9	5,858.6	-31.6	161,469.2	230,487.4	-29.9
Liquor	10,619.6	12,754.9	-16.7	233,554.2	236,808.5	-1.4
Non-alcholic preparation mixes & mixing ingredients	993.7	1,149.9	-13.6	4,685.3	5,267.3	-11.0
BUILDING MATERIALS, EQUIPMENT & FIXTURES	**54,353.7**	**63,067.3**	**-13.8**	**360,637.7**	**339,827.0**	**6.1**
Building materials & prefabricated homes	18,653.8	21,773.7	-14.3	97,641.5	93,731.0	4.2
Building equipment, fixtures & systems	31,788.9	36,622.0	-13.2	200,999.1	189,941.3	5.8
Fences	401.7	728.5	-44.9	539.7	805.7	-33.0
Protective coatings & finishes	3,509.3	3,943.1	-11.0	61,457.4	55,349.0	11.0
BUSINESS & CONSUMER SERVICES	**851,352.0**	**1,412,925.8**	**-39.7**	**3,026,924.5**	**3,324,996.6**	**-9.0**
Engineering & professional services	60,131.4	502,393.1	-88.0	176,895.6	599,528.3	-70.5
Schools & camps	80,273.6	89,540.2	-10.3	150,275.9	154,013.9	-2.4
Communications & public utilities	133,682.8	145,986.0	-8.4	888,490.2	816,377.9	8.8
Financial	490,195.0	602,961.6	-18.7	1,211,942.3	1,341,265.0	-9.6
Government advertising	37,323.2	30,389.8	22.8	242,669.2	207,035.4	17.2
Miscellaneous corporate advertising	4,587.4	6,545.9	-29.9	133,964.5	118,229.8	13.3
Organization advertising	44,335.9	34,263.4	29.4	211,637.2	83,079.6	154.7
Military equipment	822.7	845.8	-2.7	11,049.6	5,466.7	102.1
BUSINESS PROPOSITIONS & EMPLOYMENT RECRUITMENT	**2,291.0**	**2,497.4**	**-8.3**	**21,519.0**	**22,376.7**	**-3.8**
Business propositions	1,902.5	1,965.9	-3.2	12,241.0	13,485.3	-9.2
Employment recruitment	388.5	531.5	-26.9	9,278.0	8,891.4	4.3
CIGARETTES, TOBACCO & ACCESSORIES	**73,879.6**	**63,801.0**	**15.8**	**662,242.3**	**598,444.4**	**10.7**
Cigarettes & tobacco	73,742.5	63,801.0	15.6	649,807.2	592,127.7	9.7
Smoking accessories & misc. materials	137.1	n.a.	n.a.	12,435.1	6,316.7	96.9
COMPUTERS, OFFICE EQUIPMENT & STATIONERY	**59,659.9**	**64,490.2**	**-7.5**	**575,451.7**	**538,041.8**	**7.0**
Computers & data processing equipment	35,409.8	41,548.2	-14.8	316,777.7	315,910.9	0.3
Office machines & equipment	10,989.2	13,733.0	-20.0	165,038.3	135,858.9	21.5
Stationery & office supplies	11,536.4	7,232.9	59.5	79,556.7	70,195.2	13.3
Computer software	1,724.5	1,976.1	-12.7	14,079.0	16,076.8	-12.4

continued

1·9·8·8 NEWSPAPER BRAND LEADERS

Classification	Newspaper Ad Expenditures 1988 $(000)	1987 $(000)	Percent Change	9-Media Ad Expenditures 1988 $(000)	1987 $(000)	Percent Change
CONFECTIONARY, SNACKS & SOFT DRINKS	**40,989.6**	**22,148.8**	**85.1**	**1,141,760.5**	**1,100,367.1**	**3.8**
Confectionary & snacks	22,676.6	2,872.5	689.4	661,519.3	664,074.4	−0.4
Soft drinks & bottled waters	18,313.0	19,276.3	−5.0	480,241.2	436,292.7	10.1
DRUGS & REMEDIES	**105,231.5**	**82,807.5**	**27.1**	**1,508,643.9**	**1,427,761.9**	**5.7**
Medicines & proprietary remedies	32,775.0	4,736.3	592.0	1,238,585.1	1,183,600.0	4.6
Medical equipment, appliances & supplies	2,396.2	681.9	251.4	82,929.2	71,897.2	15.3
Physical culture	70,060.3	77,389.3	−9.5	187,129.6	172,264.7	8.6
ELECTRONIC ENTERTAINMENT EQUIPMENT & SUPPLIES	**9,504.3**	**15,173.4**	**−37.4**	**301,359.7**	**245,335.8**	**22.8**
Electronic entertainment equipment	7,047.3	9,821.8	−28.2	153,787.6	125,985.1	22.1
Electronic entertainment supplies	71.1	171.3	−58.5	16,799.4	15,229.5	10.3
Pre-recorded records & tapes	2,149.1	4,843.1	−55.6	121,499.3	95,326.5	27.5
Musical instruments	236.8	337.2	−29.8	9,273.4	8,794.7	5.4
ENTERTAINMENT & AMUSEMENTS	**439,211.2**	**423,802.7**	**3.6**	**2,399,088.4**	**2,273,786.4**	**5.5**
Motion pictures	239,754.4	226,817.6	5.7	648,112.8	574,602.5	12.8
Amusements, events & misc entertainment	169,199.8	153,505.0	10.2	331,585.4	297,296.0	11.5
Restaurants, hotel dining & night clubs	30,257.0	43,480.1	−30.4	1,419,390.2	1,401,887.9	1.2
FOODS & FOOD PRODUCTS	**273,873.2**	**60,186.3**	**355.0**	**3,570,756.9**	**3,298,076.2**	**8.3**
Cooking products & seasonings	45,725.3	6,613.5	591.4	642,336.6	579,721.8	10.8
Prepared & convenience foods	80,547.6	7,335.5	998.1	1,240,071.2	1,126,210.6	10.1
Dairy products & substitutes	21,874.8	7,631.8	186.6	383,908.0	362,582.3	5.9
Fruits, vegetables, grains & beans	17,461.4	3,056.8	471.2	204,806.9	170,416.4	20.2
Meats, poultry & fish	30,660.6	17,867.5	71.6	248,053.5	232,719.4	6.6
Bakery goods (fresh, frozen, etc.)	26,307.4	4,580.9	474.3	283,776.6	301,656.0	−5.9
Food beverages	31,240.3	7,699.2	305.8	522,561.6	472,861.0	10.5
Combination copy food, food products & gen. promo	20,055.8	5,401.1	271.3	45,242.5	51,908.7	−12.8
FREIGHT, INDUSTRIAL & AGRICULTURAL DEVELOPMENT	**12,487.6**	**10,815.7**	**15.5**	**144,562.0**	**82,684.2**	**74.8**
Freight	5,965.3	4,351.4	37.1	119,774.5	57,260.2	109.2
Industrial & agricultural development	6,522.3	6,464.3	0.9	24,787.5	25,424.0	−2.5
GASOLINE LUBRICANTS & FUELS	**20,761.0**	**20,759.9**	**0.0**	**237,429.3**	**234,043.2**	**1.4**
Gas, oil (transportation) & dealer services	17,543.9	19,475.4	−9.9	206,812.3	212,866.6	−2.8
Lubricants & fuels	48.5	51.5	−5.8	1,194.0	1,202.7	−0.7
Petroleum companies, gen. promo	3,168.6	1,233.0	157.0	29,423.0	19,973.9	47.3
HORTICULTURE & FARMING	**46,034.8**	**48,207.1**	**−4.5**	**194,290.9**	**205,275.1**	**−5.4**
Garden machinery, implements & fixtures	23,237.6	24,870.5	−6.6	92,926.7	93,478.9	−0.6
Lawn & garden seeds, bulbs & nursery stock	9,228.8	7,523.1	22.7	10,292.5	9,592.9	7.3
Fertilizers & seed treatments	1,971.7	1,513.1	30.3	24,139.7	24,059.0	0.3
Garden pest controls	862.0	1,127.2	−23.5	21,866.3	25,907.5	−15.6
Horticultural services & misc.	10,734.7	13,141.2	−18.3	40,845.2	48,305.6	−15.4
Farming & livestock	n.a.	32.0	n.a.	4,220.5	3,931.2	7.4
HOUSEHOLD EQUIPMENT & SUPPLIES	**45,876.5**	**31,115.3**	**47.4**	**612,625.9**	**629,419.2**	**−2.7**
Major appliances	20,140.7	27,813.5	−27.6	135,383.9	169,295.4	−20.0
Small appliances & equipment	5,390.5	1,366.3	294.5	158,170.3	153,437.9	3.1
Household accessories & misc. supplies	16,314.1	1,413.0	1,054.6	222,895.7	200,369.9	11.2
Insecticides, disinfectants & deodorizers	4,031.2	522.5	671.5	96,176.0	106,316.0	−9.5
HOUSEHOLD FURNISHINGS, SUPPLIES & MATERIALS	**41,421.8**	**38,534.1**	**7.5**	**305,663.9**	**273,005.2**	**12.0**
Dinnerware, glassware & flatware	484.9	304.5	59.2	36,907.5	30,127.9	22.5
Furniture & mattresses	28,803.0	23,356.9	23.3	118,906.4	114,768.5	3.6
Floor coverings & fibers	7413.9	7924.2	−6.4	80,663.6	68,778.0	17.3
Household fabrics & finishes	2,690.4	4,987.8	−46.1	49,035.5	49,707.0	−1.4
Miscellaneous furnishings & accessories	2,029.6	1,960.7	3.5	20,150.9	9,623.8	109.4

continued

1 · 9 · 8 · 8 NEWSPAPER BRAND LEADERS

Classification	Newspaper Ad Expenditures 1988 $(000)	1987 $(000)	Percent Change	9-Media Ad Expenditures 1988 $(000)	1987 $(000)	Percent Change
INDUSTRIAL MATERIALS	**8,618.7**	**7,718.8**	**11.7**	**107,982.1**	**79,980.9**	**35.0**
Manufacturers' materials & supplies	1,425.2	1,277.3	11.6	60,145.6	46,031.0	30.7
Industrial machinery, instruments, electrical components, fixtures & accessories	7,193.5	6,441.5	11.7	47,836.5	33,949.9	40.9
INSURANCE & REAL ESTATE	**253,353.7**	**259,812.5**	**-2.5**	**771,818.8**	**798,901.8**	**-3.4**
Life & medical insurance	28,673.3	37,865.9	-24.3	232,656.0	264,730.3	-12.1
Real estate, brokers & developers	206,123.3	197,648.8	4.3	311,486.0	306,794.9	1.5
Fire, casualty & other insurance	18,557.1	24,297.8	-23.6	227,676.8	227,376.6	0.1
JEWELRY, OPTICAL GOODS & CAMERAS	**14,052.7**	**12,689.5**	**10.7**	**351,505.5**	**342,335.5**	**2.7**
Jewelry & watches	6,034.6	4,437.1	36.0	130,171.6	134,498.3	-3.2
Optical goods, navigational & other precision instruments	2,852.4	2,320.1	22.9	44,734.5	29,590.7	51.2
Cameras & photographic supplies	5,165.7	5,932.2	-12.9	176,599.4	178,246.5	-0.9
MAIL ORDER	**173,315.5**	**131,572.3**	**31.7**	**1,101,268.8**	**962,757.1**	**14.4**
MISCELLANEOUS NOT ELSEWHERE CLASSIFIED	**10,279.2**	**8,505.0**	**20.9**	**114,207.0**	**136,197.4**	**-16.1**
MISCELLANEOUS NOT ITEMIZED	**13,629.4**	**22,781.7**	**-40.2**	**120,934.5**	**125,494.8**	**-3.6**
PETS, PET FOODS, SUPPLIES & ORGANIZATIONS	**28,058.1**	**5,359.2**	**423.6**	**269,483.7**	**279,719.8**	**-3.7**
Pet foods	24,509.0	2,717.8	801.8	235,469.2	239,940.9	-1.9
Pets & pet supplies	3,300.8	2,426.5	36.0	32,664.2	38,377.8	-14.9
Pet organizations & shelters	248.3	214.9	15.5	1,350.3	1,401.1	-3.6
PUBLISHING & MEDIA	**228,221.8**	**238,880.4**	**-4.5**	**653,035.4**	**662,922.8**	**-1.5**
Books & music	39,997.9	43,103.2	-7.2	94,635.3	115,648.4	-18.2
Magazines, newspapers, newsletters & misc. media	16,130.3	16,352.0	-1.4	66,989.8	70,107.2	-4.4
Radio stations	20,436.4	20,332.2	0.5	125,406.4	118,885.5	5.5
Television & cable tv stations	151,657.2	159,093.0	-4.7	366,003.9	358,281.7	2.2
RETAIL	**3,285,514.2**	**3,642,244.6**	**-9.8**	**5,318,741.2**	**5,509,011.1**	**-3.5**
SOAPS, CLEANSERS & POLISHERS	**29,250.4**	**1,623.3**	**1,701.9**	**589,787.8**	**561,505.0**	**5.0**
Soaps & detergents	15,026.4	870.6	1,626.0	376,899.5	362,991.1	3.8
Miscellaneous laundry supplies	1,299.1	11.7	11,003.4	5,722.0	1,505.1	280.2
Cleaners, cleansers & polishes	12,924.9	741.0	1,644.3	207,166.3	197,008.8	5.2
SPORTING GOODS, TOYS & GAMES	**7,141.3**	**5,942.2**	**20.2**	**543,234.9**	**541,785.0**	**0.3**
Fishing tackle & equipment	n.a.	33.0	n.a.	7,446.9	5,708.5	30.5
Arms & ammunition	1,064.4	981.9	8.4	9,885.9	11,025.3	-10.3
Boats, motors & accessories	2,358.9	2,848.1	-17.2	20,822.2	10,777.3	93.2
Motorized vehicles for sport	104.2	70.9	47.0	7,300.4	8,293.1	-12.0
Bicycles & accessories	781.6	447.9	74.5	14,882.9	11,834.0	25.8
Games, toys & hobbycraft	2,674.5	1,553.8	72.1	420,048.6	444,327.8	-5.5
Golf equipment	157.7	6.6	2,289.4	41,870.9	32,833.7	27.5
TOILETRIES & COSMETICS	**46,961.5**	**7,718.4**	**508.4**	**2,026,772.7**	**1,817,881.7**	**11.5**
Cosmetics & beauty aids	8,025.7	1,445.2	455.3	637,989.4	557,050.3	14.5
Personal hygiene & health	25,402.7	3,936.2	545.4	917,430.0	843,661.1	8.7
Bath toiletries & misc. toilet goods	1,707.4	0.5	341,380.0	34,441.7	33,596.4	2.5
Hair products	11,825.7	2,336.5	406.1	419,579.9	371,239.6	13.0
TRAVEL, HOTELS & RESORTS	**872,832.8**	**879,536.8**	**-0.8**	**1,795,807.6**	**1,685,723.0**	**6.5**
Passenger travel	447,830.2	449,851.4	-0.4	923,828.6	871,199.3	6.0
Travel services & tours	159,887.7	173,887.5	-8.1	185,249.0	195,294.5	-5.1
Resorts & travel accommodations	265,114.9	255,797.9	3.6	686,730.0	619,229.2	10.9
General Total	7,938,586.4	8,455,964.0	-6.1	35,529,104.0	34,159,235.9	4.0

* Note: Nine-media total from Leading National Advertisers includes network and spot tv, syndication, cable, network and spot radio, magazines, newspapers and outdoor.

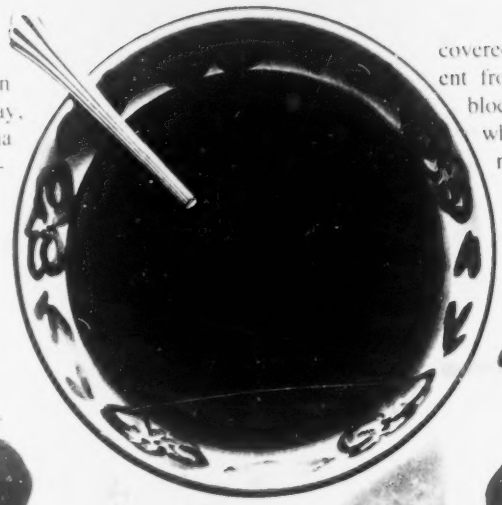
BRAND REPORT

No. 162: Pasta and Sauce

MANGIA! MANGIA!

by Brian Bagot

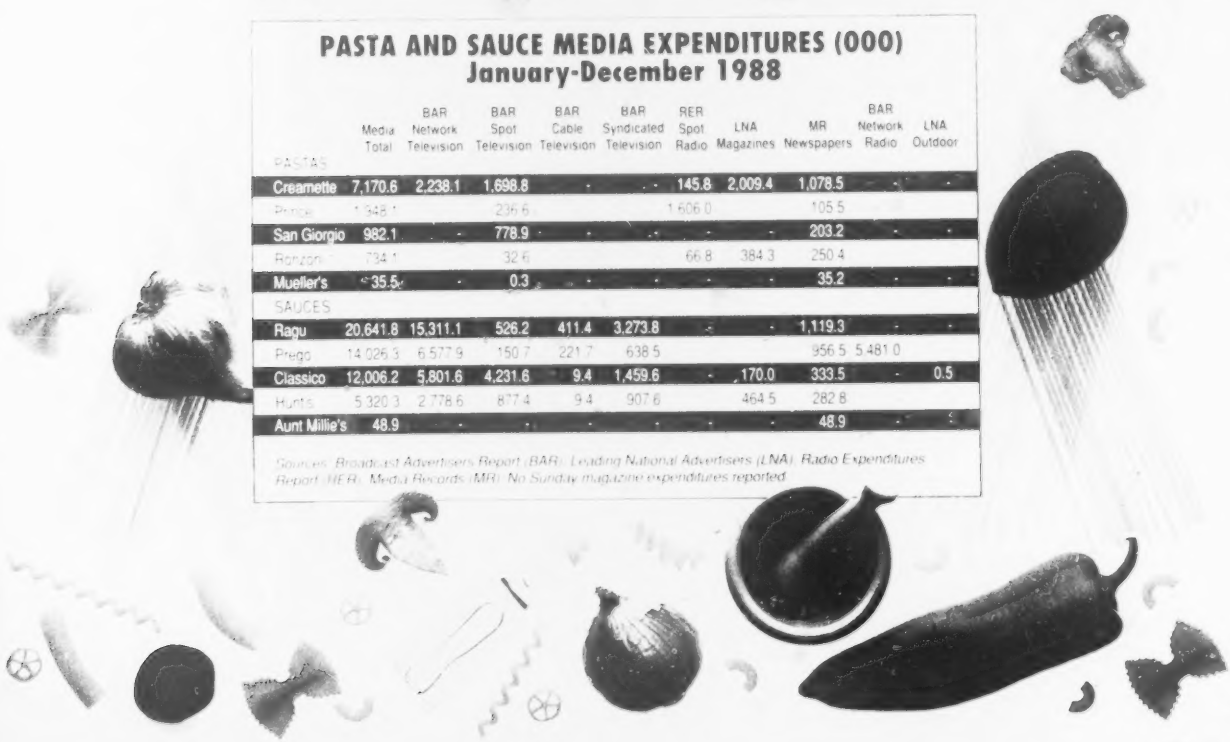
Who can't remember those special days? Coming in from an afternoon of play, the house was filled with the aroma of a pot of simmering sauce. Daydreams carried you to amazing spaghetti farms in Italy until, finally, you got to twirl a forkload of Little Italy. Then came the day you discovered why mom's sauce was different from Mrs. Graziano's down the block — it came from a jar. And what's this?! You mean there are no spaghetti trees? Don't tell me spaghetti comes from factories! Well it does, and those factories rolled out 3 billion pounds of pasta last year in



PASTA AND SAUCE MEDIA EXPENDITURES (000)
January-December 1988

	Media Total	BAR Network Television	BAR Spot Television	BAR Cable Television	BAR Syndicated Television	RER Spot Radio	LNA Magazines	MR Newspapers	BAR Network Radio	LNA Outdoor
PASTAS										
Creamette	7,170.6	2,238.1	1,698.8	-	-	145.8	2,009.4	1,078.5	-	-
Ronco	1,348.1		236.6			1,606.0		105.5		
San Giorgio	982.1	-	778.9	-	-	-	-	203.2	-	-
Ronzoni	734.1		32.6			66.8	384.3	250.4		
Mueller's	35.5	-	0.3	-	-	-	-	35.2	-	-
SAUCES										
Ragu	20,641.8	15,311.1	526.2	411.4	3,273.8	-	-	1,119.3	-	-
Prego	14,026.3	6,577.9	150.7	221.7	638.5			956.5	5,481.0	
Classico	12,006.2	5,801.6	4,231.6	9.4	1,459.6	-	170.0	333.5	-	0.5
Hunts	5,320.3	2,778.6	877.4	9.4	907.6		464.5	282.8		
Aunt Millie's	48.9	-	-	-	-	-	-	48.9	-	-

Sources: Broadcast Advertisers Report (BAR); Leading National Advertisers (LNA); Radio Expenditures Report (RER); Media Records (MR). No Sunday magazine expenditures reported.



ED SPIRO

the U.S. alone, worth $1.6 billion wholesale, up 6% from a year ago, according to Find/SVP, an information and research company. Out of this, more than 40% was in the retail dry packaged segment, with the remainder accounted for by the ingredient market, which includes frozen, canned and jarred pasta products.

As for the sauce, new premium brands and line extensions, such as Classico and Aunt Millie's Family Style, both from Borden's Prince division, now are bringing the competition to a boil as manufacturers get closer to duplicating the home-made taste that made Mrs. Graziano's sauce a neighborhood legend. In 1979, sauce production totaled 545 million pounds; last year, it topped 1.93 billion pounds, according to Arbitron/SAMI. Looking at sales, the pasta-sauce market is up 9% from last year to about $767.3 million, according to Nielsen Marketing Research.

The stir in sauces has shifted some market share. Chesebrough-Pond's market leader, Ragu, has gone from about 60% in 1982 to 50%, but with no loss in sales, thanks in part to the market's growth. Campbell Soup Co.'s introduction of Prego sauces in 1983 heated things up, and by 1986 Prego owned about 25% of it, a share it continues to maintain.

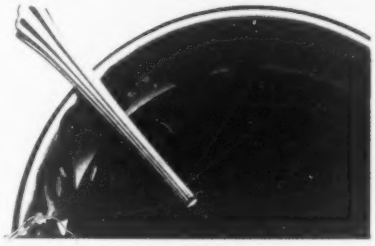
According to Arbitron/SAMI, Ragu's pasta-sauce sales totaled $489 million for the 52 weeks ended March 24, 1989. Prego's sales in the period totaled $252 million, lead by its basic Prego entry with $190 million. After these, the dollar totals cool quickly for number-three Classico, with $61 million, and Hunt's spaghetti sauce, with $36 million.

Rounding out the top five is Aunt Millie's, the only regional in the top five. Its 12 markets in the Northeast and Miami generated about $26 million in sales for the 52 weeks ended March 24, according to Arbitron/SAMI.

Because of all the activity in this segment, sauce is also where most of the ad dollars are spent. Unlike the regionally oriented dry-pasta market, the top-five sauce brands spent more than $52 million on their national cause last year, according to Leading National Advertisers (LNA). This compares with $11 million spent by the top-five pasta brands. Tv was the big media expense for the sauces last year, receiving $43.3 million from the top five, compared to $3.3 million for print.

Where there are new products, line extensions and a hot battle for share and shelf space, price promotions can't be far behind. All you have to do is flip through a Sunday newspaper to be served up a healthy portion of pasta sauce coupons. As Timothy Dunn, senior investment officer with PNC Financial notes, "It's a volume business. Name recognition is important, but I don't think people really see much difference between Ragu vs. Prego. In bulk spaghetti sauces, people are probably not going to buy generic, but as long as it's one of the main brands, they'll buy whatever they can get a deal on."

Premium brands and line extensions are bringing the sauce business to a boil.



Other brands generating sales in the $20 million-a-year range include Progresso's specialized sauces, with $23 million; Paul Newman's Own at $21 million; and Francesco Rinaldi with $20 million. Rinaldi is a relatively new sauce started by the creator of Ragu, Ralph Cantisano.

Whether it's a budget-conscious family looking for an economic and nutritious utilitarian dinner, or health-conscious executives trying to trim fat from their diet, pasta and sauce serves them all. Per capita pasta consumption has grown at an average of 4% annually, more than doubling between 1968, when consumption was about 6.2 pounds annually, and 1987, when consumption hit 15.2 pounds, according to the National Pasta Association.

All market watchers queried agree that the pasta industry has capitalized on the country's health consciousness and has successfully changed the food's image, as John Maier, editor of market reports for Find/SVP, puts it, from "a starchy, inexpensive low-cost belly stuffer into that of a healthful gourmet food." But they also agree that manufacturers have been unable to successfully market specific pasta brands; instead, it's looked at as a commodity business where price promotion gets sales.

Hugh Peters, senior product manager for Mueller's Pasta Products, a division of CPC International, states, "The game of price is really the game of pasta. If you look at the marketing mix, the role of trade promotion is very key. We take the view that we must be competitive."

Promotional activity includes cents-off coupons and reduced prices, such as "three pounds for $1." Demonstrations and samplings combined with newspaper ads are also effective. Find/SVP cites one example in which the combination of advertising and price promotion doubled Ronzoni's pasta sales in some markets.

With most of the emphasis placed on promotions, total consumer advertising for dry pasta was only $60 million last year, according to Find/SVP, about 3% of retail sales. Out of that, about 85% of the expenditures went to spot and network tv. The top-five pasta brands' tv/print ratio was a little more balanced, with $5 million in tv and $4.1 million in print.

Despite increased competition from both prepared pasta entries and fresh pasta products, dry-pasta sales continue to grow, though slowly. U.S. manufacturers — though imports are making inroads in some major markets, 92% of pasta consumed in the U.S. is produced here — rolled out 1.29 billion pounds last year, valued at just under $1.3 billion retail, according to Find/SVP, which projects 1.34 billion pounds this year, worth $1.3 billion retail.

What is surprising about the small-scale growth is that the large marketing-savvy companies in the business have yet to establish a strong national brand. Others have tried: Coca-Cola,

Pillsbury and McKesson ventured into the pasta market by acquiring strong regional brands and tried to take them national. Even with national food-distribution systems and substantial resources, they failed, according to Maier at Find/SVP, because "despite its commodity nature, brand loyalty was surprisingly high." It was just too expensive to establish a national brand.

"In the case of the regional pasta folks, they're very tough marketers," states Gary Stibel, principal of New England Consulting Group, a marketing management consulting company. "Each has tried to expand into some of the others' turf, and they've almost always been met with limited success."

Still, three companies control about 65% of the dry market, according to Find/SVP. These are Borden with Prince and Creamette, Hershey with San Giorgio and CPC International with Mueller's. Borden's Creamette, with weak Northeast sales, is the only brand available in all 54 Arbitron/SAMI marketing areas. It is sold in 80% of the country.

Between 1985 and 1988, Borden locked on to its position as the nation's largest pasta producer with the acquisition of Creamette. During this period, both Hershey and Mueller lost share, while Borden grew from 16% of the market in 1985 to 32% in 1988. Hershey went from 20% to 18% and CPC dropped from 17% to 15%. General Foods, with its Ronzoni brand, went from 9% to 8% during the period.

The top-five leading brands through 52 weeks ended March 24, pegged by Arbitron/SAMI, are Mueller's with sales of $154 million in 32 markets and Creamette with $125 million. Ronzoni generated $92 million in sales from 25 markets, while San Giorgio in 33 markets had $67 million in sales and Prince had sales of $59 million from 30 markets.

Although the growth of the dry-pasta market has been relatively small, refrigerated pasta has had tremendous growth, albeit on a smaller base. Sales in this category totaled about $100 million, according to Find/SVP, and have risen more than 30% annually over the last three years. Forecasts peg sales here at $150 million by 1990 and $250 million by 1995.

Right now its popularity, in keeping with its urban, upscale positioning, is mainly in the New York City and Chicago areas, as well as the urban areas of California with upscale food trendsetters under 45 who consider it more of a gourmet item. Retail prices vary from about $1.20 to $3.80 a pound, according to Find/SVP, quite a jump from the 69¢ to 89¢ a pound for dry pasta. There are only about 60 manufacturers of refrigerated pasta who market their product outside of their immediate neighborhood. The leading brand is Carnation's Contadina Fresh, which went national after Nestlé acquired it in 1986 from Lambert's for $56 million. Arbitron/SAMI's Miller estimates Contadina's pasta sales at about $71 million last year despite not having full distribution. It moved from 37 markets a year to 52 last year.

The "King of the Shelf" has been quick to adapt to a broadening market.

The dry-pasta brand leaders would not comment on their plans to enter into the refrigerated pasta market, but New England Consulting Group's Stibel says he is "surprised we have not seen a more aggressive attempt on the part of these pasta manufacturers to expand into fresh and frozen." So it might not be too long before the big players take control of this young market, where margins are better and regionals are not so well entrenched. Manufacturers are developing packaging that will extend the shelf life to 60 days for refrigerated pasta, up from 10 to 30 days when the product was first introduced.

Following is a closer look at what the major sauce and pasta brands are doing to sell their product.

SAUCES

Ragu

The number-one brand with about half of the market under its belt is also the big ad spender. It spent a total of $20.6 million last year, according to LNA, with $15.3 million going to network tv. Ads are from J. Walter Thompson and Waring & LaRosa.

A division of press-shy Chesebrough-Ponds, Ragu's spaghetti sauce sales hit $489 million last year and were led by regular style with $203 million, according to Arbitron/SAMI.

According to Find/SVP and other industry watchers, Chesebrough, which considers any information about its marketing and advertising as proprietary, bases its success and its ability to stay on top of the pasta-sauce market on research and development. "The company backs each rollout with ambitious advertising campaigns and strong merchandising support, which makes its brands as popular with retailers as with consumers," according to Find/SVP.

Ragu's roots are in Rochester, N.Y., when in 1937 it started as the Ragu Packing Co. As the company grew, so did its distribution, which expanded into the Northeast and Midwest. In 1969 it was acquired by Chesebrough-Ponds and went national. It began to fly under Unilever's wing in 1987 when that $23 billion multi-national holding company acquired Chesebrough.

Initially, according to Find/SVP, Ragu shared the national market with Chef-Boy-Ar-Dee brand until the mid-'70s when Hunt came out with Prima Salsa, a sauce marketed as "heartier." So Chesebrough countered with Thick & Zesty Ragu, and by early '80s Prima Salsa was pulled off the shelves.

Since the Prima Salsa battle, Chesebrough has had to be a swift and versatile marketer to protect its share and meet challengers on almost every front. In 1982, when Campbell introduced

Laying it on thick. Prego uses a visual comparison against Ragu in a spot under protest by Chesebrough.

Prego and a "homemade taste," Ragu counterpunched with its Homestyle line. And a year later, when chunky was the key word in spaghetti sauce, Ragu introduced its Chunky Garden Style with chunks of tomatoes and vegetables.

When the homestyle and chunky activity leveled off, thick and rich were again buzzwords, so in early 1987, Ragu premiered its Thick & Hearty line.

Prego

Not pulling any punches, Gary Fassak, director of marketing of Italian Food Products at Campbell Soup Co., maker of Prego sauces, says flatly, "We're a better sauce," when asked about being number two and chipping away at Ragu.

Its sledgehammer ads are simple visual comparisons of Prego and Ragu poured over pasta that show Prego as a richer, thicker sauce. "We have tv ads on the air right now that compare Prego against Ragu Old World Style, and that's the thrust of the image campaign," says Fassak. "We're trying to build long-term added value and get the word out that our sauce, in testing, tastes better than Ragu Old World Style." Chesebrough has cried foul and has asked the three networks to pull the spots.

Ad expenditures last year were $14 million, according to LNA, with almost half going to the three networks. FCB/Leber Katz is the agency.

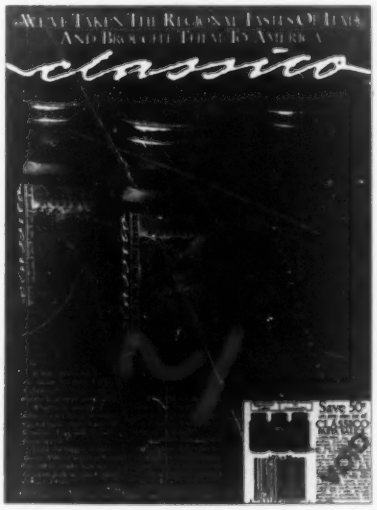
For promotions, the brand takes advantage of Campbell's regional marketing system with 21 regions tailoring promotion programs to those areas. "The idea is to get some attention on what the local marketing needs are, particularly in the area of promotion. We try to tie back to the advertising with the basic notion of Prego being a high-quality sauce," states Peters.

Classico

Although it's on the shelf with Ragu and Prego, as well as other sauces, Classico stands apart with its positioning as a line of authentic regional Italian pasta sauces. More expensive than the four other major brands by 40¢ to 50¢, and introduced in late 1987, it is also the new kid on the block. And like any new kid, it's out to prove something.

Its message: Class sells. 1988 sales were $61 million, and the brand only went national last March. Borden spent $12.1 million advertising the brand last year, most of which was spent on network and spot tv, $5.8 million and $4.2 million respectively, to convey its message of authenticity.

"Directly, there really isn't anybody out there that's a Classico product," says Maxine Houghton, marketing director for Prince Foods Canning division of Borden. "Indirectly, of course, we compete with the Ragus and Pregos of the world because we're on the shelf with them." One close competitor is the Progresso line in the Northeast. Also, Contadina's line of pasta sauces is a competitor, but it is located in the refrigerated section of the store.



Classico stresses regional Italian recipes.

The brand's ad campaign from Scali Associates centers on its regional Italian recipes, which are also reflected in the packaging. The jar has a different shape than other sauces and the label has an old-world appeal. It's one of these packages that, from a marketing standpoint, is probably all wrong, but, boy, it does the job. It jumps off the shelf," says Houghton.

Attempting to tap the highly educated, 25-54 age group willing to pay more for a premium product, the brand focus on the authenticity and origin in Italy. "The commercials communicate premium quality and to a certain extent, premium price. Right now we're doing some daytime to try to reach out to a different market, but for the most part we tailor our programming," says Houghton. The prime time lineup includes *60 Minutes*, *Dynasty* and *Murder, She Wrote*.

She describes the brand's strategy as a "pretty simple program of television and couponing to get trial and create awareness." Magazines have been used in the past, including such upscale titles as *Bon Appetit*, *Southern Living* and *Sunset*, but because the company wants to build brand awareness as quickly as it can, it has stuck primarily with tv, FSIs and couponing.

Hunt's

Hunt's, a name virtually synonymous with tomato products, is number four in the prepared Italian sauce market and depends on the industry stal-

dards of promotions and couponing to compete with the other leading brands.

Advertising for its spaghetti sauce was relatively small last year, totalling $5.3 million, according to LNA, with more than half going to network tv. But print is also considered an important advertising medium by the company, since recipes can be featured to provide ideas for consumers to use the sauce. A sample print schedule includes *Good Housekeeping*, *Redbook* and *Ladies' Home Journal*, and spending last year was about $747,000, according to LNA.

In addition to its regular spaghetti-sauce line, Hunt's is attempting to tap into the "busy family" market with its new line of specialized sauces for the microwave, called Minute Gourmet. All the consumer has to do is add the meat — the sauce and cooking bag are included. Six different sauces combined with various meats create a range of microwave dinners for busy singles, couples and working parents.

Aunt Millie's

Over the past 42 years, Aunt Millie's brand has built its base of loyal regional users into the number-five position in the pasta-sauce listing. In the 12 markets where it's sold, Aunt Millie's generated $26 million in sales last year for the Prince division of Borden, according to Arbitron/SAMI. Because of its regional nature, LNA shows only $48,000 in ad expenditures, all in newspapers.

Aunt Millie's Family Style targets the sweet tooth.

What has moved the brand off the shelves for all these years is the emphasis on "no sugar or starch added," an attribute that separates it from other leading brands, with the exception of Classico. Included in the target are families, but the brand tends to attract one- and two-person households interested in no sugar, according to Prince's Houghton.

Now, in an attempt to tap into the sweet tooth of American children, and hence higher volume family usage, Aunt Millie's brand has been expanded to include Family Style, a chunkier, sweeter sauce than the original Aunt Millie's. "Kids love sweet things and sweet sauces, so we brought Aunt Millie's Family Style out to attract the larger families that eat a ton of spaghetti sauce," says Houghton.

PASTA

Mueller's

Mueller's is the country's number-one dry pasta brand, doing about $154 million annually in 32 markets, and for the last four years it has been very aggressive with line extensions by providing new shapes, new colors and new ways of serving pasta. As Hugh Peters, senior product manager for Mueller's Pasta Products division of CPC International, explains, the move has been to "get away from traditional spaghetti and meatballs and look at things like lighter sauces. We're also trying to give new, fun shapes to work with."

The company's ads and promotions for the new shapes are focused on the consumers' desire for variety in meal planning. Besides the usual coupons accompanying the ads, recipes for dishes such as Florentine Stuffed Shells, Seven-Layer Party Salad and Garden Pasta Salad offer shoppers alternatives.

Although it's number one in sales, its ad expenditures were the lowest of the top five brands last year, totalling only $35,500, according to LNA, with most going to newspapers.

Mueller's target group is the basic pasta shopper — women 25-54, some with children. Realizing that these consumers view one dry pasta the same as the rest, Mueller's also tries to let them know the brand has been around for more than 120 years, "and the brand she was buying in the past is the same brand she's buying today," notes Peters. Its red, white and blue package is surprisingly un-Italian and has been maintained "so the consumer knows that whether she's buying elbows, noodles, vermicelli or even our new tricolor items, that what she's buying is all part of the Mueller's family," he explains.

Changing shape, Mueller's offers fun meal ideas.

Being a part of CPC, which owns brands like Hellmann's Mayonnaise and Knorr Soups, and considering the fact that pasta lends itself to being a related sale item, Mueller's is also promoted as a tie-in product. "We try to push it with the retailers that we not only sell pasta, but we sell other things, which is more volume for their stores," explains Peters.

Creamette

As the only near-national brand, Creamette had to get its word out to many more markets than the others and led the pack in ad expenditures, with about $7 million last year. It was the only one to use network tv.

When it took the brand national last year, Borden went in with strategies tailored to the different markets. "Every region responds to something different," explains Marti Yeager, manager of marketing and advertising for Borden Pasta Group. "There are some markets where tv is not the way to go. L.A. is a perfect example. Your best bet in L.A. is radio because everyone drives."

Regional strategies get Creamette a near-national position.

Borden, she says, looks at each market individually and pushes heavily through newspapers and women's service books. Print expenditures were more than $3 million last year, according to LNA.

The ads, which target "anyone who eats pasta," are pretty simple — heavy on product identification and new recipes that give pasta a twist.

Ronzoni

Ronzoni, distributed in 25 markets and number one in the country's largest pasta market, New York, tallied up $92 million in sales last year, according to Arbitron/SAMI. Its ad expenditures, however, are modest, with last year's expenditures reported by LNA as $667,300, with more than 75% going into print.

Viewing the dry-pasta market as price driven, Ronzoni has shunned tv because "we're not a business with margins high enough to justify it," says Katherine Hill, assistant product manager for Ronzoni dry pasta. Because it's so price sensitive, she thinks advertising has little impact and that "it really comes down to what your price is on the shelf vs. your competition and the other benefits you offer." These include an Italian image, all natural ingredients and consistent quality. As a result of this, most of the activity comes from value-added packaging incorporating new recipes. In addition, FSI and cooperative advertising play a major role in Ronzoni's game plan. Public relations also helps, and Ronzoni has a newsletter that consumers receive by sending in box tops, that features coupons and recipes.

Playing off its "authentic Italian" heritage, the General Foods brand has been expanded to include Ronzoni Classics, a line of five side dishes prepackaged with sauce and dry pasta ready for stove-top preparation. The line targets consumers looking for convenience and an all-natural product, and includes Fettucini Alfredo and Pasta Primavera. The line was introduced in the Northeast near early April, and although a schedule has not yet been set, will be supported by a tv and print campaign. "Right now with our Classics, we'll have some media that we believe promotes the whole trademark of Ronzoni," notes Hill.

San Giorgio

Clifford Larsen, vice president of marketing for Hershey Pasta Group, producers of San Giorgio pasta, sees his competition expanding beyond the other dry-pasta brands. The competitive environment now includes Lipton's Noodles & Sauce and Stouffer's macaroni and pasta products. "The competitive universe is just larger and larger and larger," he states.

But Larsen is quick to point out that one of the things inherent in some of these prepared alternative forms "is that some manufacturer is determining for the consumer what the portion size should be, what the flavoring should be." So to defend its turf against the prepared-dish entries, Larsen is stressing not just the convenience of pasta, but its health and nutritional benefits.

In addition to advertising, which LNA says cost San Giorgio just under $1 million last year, Hershey is working with the National Pasta Association, teaching consumers the versatility of pasta. The lesson: If there's pasta in the pantry, a quick pasta dish is not too far away. Part of this includes an in-store spokesperson demonstrating various dishes.

In the dry-pasta segment, Larsen says consumer attitudes are firmly entrenched from using the same brand for years. And the fact that it's a fairly low-interest category makes it difficult to get attention for your brand. "If you're talking about going into a new market, you typically advertise fairly strongly to get people familiar with the brand so it's not a stranger," he says. "And you can do some price promotion to rent a consumer. Once you have done those things through couponing, advertising and promotion keep your volume up to a level the trade finds satisfactory, and you slowly build the franchise. The only way to build a franchise," he concludes, "is to make fewer mistakes than the other guy."

Prince

Prince, a Borden brand, is a leading pasta in two of the largest and most concentrated pasta regions in the U.S., the Northeast and the Great Lakes, but its share of market has been slipping, according to Find/SVP, from 8% to 6%. Its sales, generated from 30 markets, were $59 million last year.

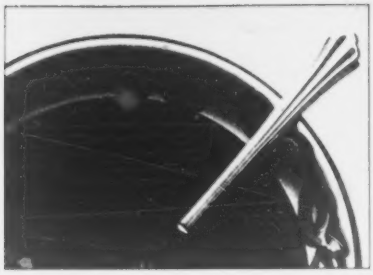
The research company attributes the decline to its unfamiliarity with consumers in fast-growing pasta markets such as the South and West, despite expansion into these regions in the '60s and '80s, respectively. The moves proved to be not only expensive, but disappointing, securing a 3% share of the market, according to Find/SVP.

Currently, Prince is viewed by consumers as being authentically Italian, and its strength lies in that image. "We stress that," notes Borden's Yeager.

Radio was the media of choice last year, with expenditures topping $1.6 million, while print was $105,500 and spot tv cost $236,600. ■

FREE* Prince Pasta
from New England's Italian Favorites
Prince Pasta • Prince Spaghetti Sauce • Snow's Clams
SAVE 20¢
FREE* Prince Pasta

Prince relies on the strength of its authentic Italian image.



BRAND REPORT INDEX

PASTA AND SAUCE

How to read: Our indices of user demographics and media preferences are used to indicate the direction and amount of difference from the average. The index of the average is, by definition, 100. Thus, an index of 112 reflects a 12% above-average incidence. An index of 89 indicates an 11% below-average incidence.

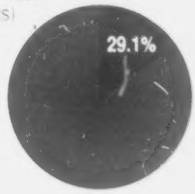
SPAGHETTI SAUCE

Prepared Spaghetti Sauce

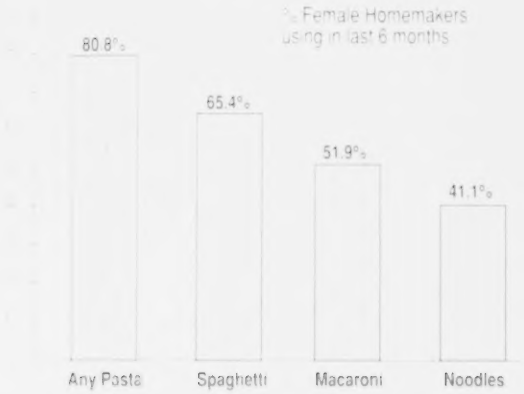
% Female Homemakers using (used in last 6 months)

Make Spaghetti Sauce From Scratch

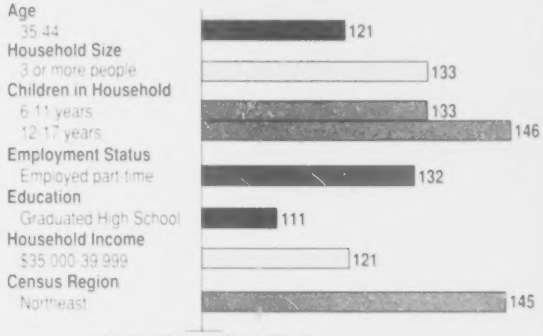
% Female Homemakers making (made in last 6 months)



PASTA: USAGE OF PACKAGED SPAGHETTI, MACARONI, NOODLES

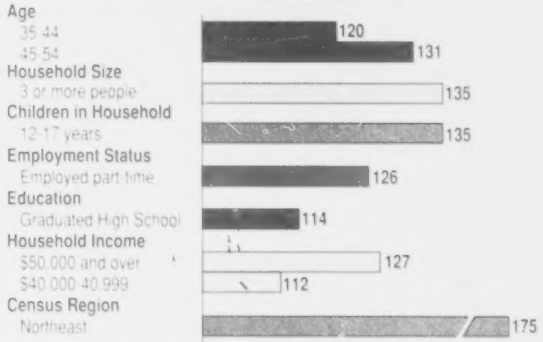


KEY DEMOGRAPHICS: HEAVY PASTA USERS



INDEX ALL FEMALE HOMEMAKERS=100

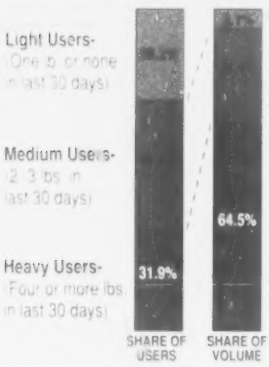
KEY DEMOGRAPHICS: HEAVY SPAGHETTI SAUCE USERS



INDEX ALL FEMALE HOMEMAKERS=100

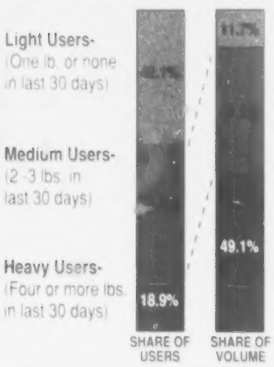
VOLUMETRICS: PASTA

Used Pasta in Last 6 Months

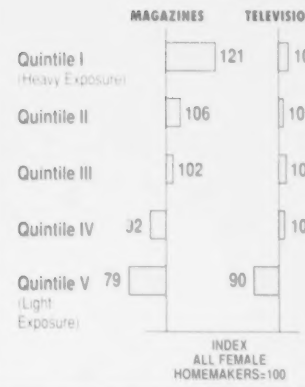

Light Users- (One lb. or none in last 30 days)
Medium Users- (2-3 lbs. in last 30 days)
Heavy Users- (Four or more lbs. in last 30 days)
31.9%
64.5%
SHARE OF USERS
SHARE OF VOLUME

VOLUMETRICS: SPAGHETTI SAUCE

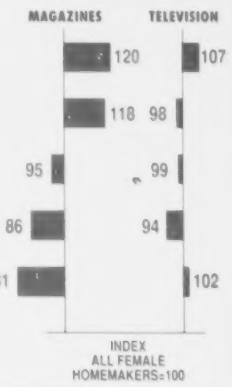
Used Pasta in Last 6 Months


Light Users- (One lb. or none in last 30 days)
Medium Users- (2-3 lbs. in last 30 days)
Heavy Users- (Four or more lbs. in last 30 days)
18.9%
49.1%
SHARE OF USERS
SHARE OF VOLUME

MEDIA EXPOSURE: Heavy Pasta Users



MEDIA EXPOSURE: Heavy Sauce Users



Source: Mediamark Research Spring 1988

SALES PROMOTION: THE DATA DILEMMA

A MATTER OF MEASUREMENT

In the first half of this decade, advertising spending by national marketers grew at a torrid pace, and by 1985 the inevitable correction of overexpanded budgets occurred. Ever since, I have been hearing that advertising budgets have been diverted to sales promotion, and in the August issue of this publication, McCann-Erickson was given credit for a chart that indicated that in 1987 sales-promotion expenditures amounted to $115.8 billion — nearly twice as large as the annual total of $62.6 billion for advertising. McCann-Erickson was not the source of the figures on the chart. In fact, we disagree with most of them, and we question their objectivity.

The McCann-Erickson estimates for 1987 advertising added to $109.65 billion, and they were mainly based on detailed audits of ad revenues by objective third parties. Furthermore, the definitions of items included in the McCann-Erickson totals can be traced to the classic study of the *Economic Effects of Advertising* by Neil H. Borden of the Harvard Business School.

Dr. L. D. H. Weld, director of research at McCann-Erickson, was the American Research Foundation representative to the Harvard study's advisory committee. My definitions are not based on my opinions, but are derived from his involvement with that study.

Russ Bowman, the author of the report that appeared in the August issue of *Marketing & Media Decisions*, has arbitrarily reclassified billions of dollars of advertising expenditures and redefined them as sales promotion. For example, all of the $19.6 billion estimated for mail advertising has been shifted to the sales-promotion column. These advertising expenditures, plus some others, have been employed to build up the size of the sales-promotion total while also reducing the total for advertising. Even more inflation in the sales-promotion numbers results from the inclusion of enormous sums for activities that bear little if any relationship to real sales-promotion activities. The largest of these is an amount totaling $32.9 billion for meetings and conventions. This amount alone is about two-thirds the size of the receipts of the entire "hotel, motel and tourist court industry" as measured by the U.S. Commerce Department.

After reviewing all the reported items included in the $115.8 billion figure, I conclude that the total would be much more realistic if it were revised down to about $12.7 billion. There are some items such as the newspaper-distributed FSIs that can be considered as both sales promotion and advertising. Adding such items to both columns (but only once to the $117.6 billion 1987 total), advertising represents 93.2% and sales promotion 10.8%. There is no doubt that sales promotion has been growing faster than advertising during this decade, but expenditures for activities of this type are still modest in contrast to advertising.

The myth that sales promotion is larger than advertising has also been compounded by labeling trade price allowances as promotional expenses.

Perhaps we need to reconvene a new tripartite group to agree on precise definitions so that pricing activities and personal selling expenses are not bundled up with an important form of marketing known as sales promotion.

Robert Coen is senior vice president and director of forecasting with McCann-Erickson, New York.

OUR READERS TELL US . . .

Research USA, Chicago, found client-side readers' budgets evenly split. (Base = 62.)

1. What percentage of your total 1988 advertising/sales promotion spending was allocated to each?

Advertising	49%
Sales promotion	51%

2. To what extent did your dollar volume spent for sales promotion in 1988 compare to what was spent in 1987? (Check only one)

	Increase of:	Decrease of:
1%-9%	22.6%	—
10%-19%	35.5%	3.2%
20%-29%	6.5%	1.6%
30%-39%	1.6%	—
40%-49%	—	4.8%
50% or more	1.6%	3.2%
No change	—	17.7%

3. Which of the following types of sales promotion vehicles to you utilize? (Check all that apply.)

Cents-off couponing	64.5%
Rebates	35.5%
Premiums and incentives	62.9%
Sampling	51.6%
Sweepstakes and contests	45.2%
Point-of-purchase	69.4%
Trade shows	43.5%
Other	11.3%

4. What percentage of your sales promotion budget was allocated to each vehicle?

Cents-off couponing	32.0%
Rebates	7.1%
Premiums and incentives	16.3%
Sampling	6.2%
Sweepstakes and contests	4.8%

THE CONFLICT IS DEFINITIONS

The report in question was designed to allocate expenditures based on organizational and or budget responsibility of various marketing functions. That has been its basis for 16 years, as originally developed by a committee of the Association of National Advertisers. We too bear the Harvard stamp. The figures have been analyzed by Roger Strang, marketing professor at USC, and reported in *The Harvard Business Review*.

When the initial project was conceived by the ANA, it was decided to define advertising as those media traditionally commissionable and handled by ad agencies. This definition best reflected the ANA membership and included newspapers, magazine, tv, radio, outdoor, farm and business publications. Mr. Coen is right on one count: because of a layout error, one chart contrasting ad and promotion spending contained only the McCann-Erickson credit for these ad expenditures; unlike its neighboring charts, the sales-promotion credits were inadvertently dropped.

But now to the specifics. Meetings, especially sales meetings and conventions, can broadly be classified as sales-promotion expenses — for many of these companies, that is where the budget dollars come from. Another source that lists meetings as a promotional activity is a booklet prepared and distributed by the 4As, titled "What Every Account Representative Should Know About Sales Promotion."

Meetings & Conventions magazine shows a $32 billion total for 1987, which goes beyond rooms and meals to include all related expenses. While it's possible some of these expenses are duplicated elsewhere in our report — a possibility now under investigation — these costs explain why the number looks out of proportion to Commerce figures.

As for direct mail, large 30 million-45 million coupon mailings like Advo, Donnelley and Metromail are promotionally oriented. According to the Direct Marketing Association, where the figures were initially estimated, a large portion of the expenses were for business mailings, which are generally considered promotion.

P-O-P is discounted by Mr. Coen, but its trade organization, POPAI, has an established record on this category. Its 1987 figure was increased slightly from $12 billion to $15 billion because POPAI does not include P-O-P Radio, Act Media, ISA, Silent Radio, PopMedia and other sources.

Mr. Coen also almost totally dismisses the premium-and-incentive business, which has been documented by two publications for years. *M&MD* used $15 billion in 1987 (which includes sweepstakes & contests), the figures from *Incentives Marketing*, as opposed to the larger $23 billion from *Premiums & Incentives Business*. Mr. Coen's dismissal of both magazines' figures is based on the fact that four arbitrary industries don't add up to $15 billion. But a true comparison can't be made without noting that almost $2 billion of that figure is for incentive travel, and the merchandise figure is for hundreds of classes, not just four.

Promotional advertising includes the FSIs and coupon pages in magazines, promotional tv and even some estimate of radio promotional time. Coen fails to consider broadcast costs.

Trade shows are again a matter of interpretation, but in both the booklet produced by the 4As and a book on sales promotion by Don Schultz, marketing professor at Northwestern, trade shows and exhibits are included under the promotion banner. Importantly, the costs of exhibition production are part of *M&MD*'s figure.

The coupon-redemption estimate comes from Mc3 and SummaryScan figures, recognizing that Mc3 redemptions have always been somewhat conservative since Mc3 (once Nielsen) does not handle redemption for many of the largest companies.

As the business environment changes, now is a good time to take a fresh look at the best criteria for reporting marketing expenditures. Probably the best ongoing source of media vs. promotion expenditures has been Donnelley's annual survey, which supports our share estimates of approximately two-thirds to promotion vs. one-third to advertising. But in the long run, the best analysis is an individual customized report that considers differing trade and sales-related factors.

Russ Bowman is a consultant and monthly columnist for Marketing & Media Decisions.

Point-of-purchase	17.1%
Trade shows	10.5%
Other	6.0%

5. What do you believe is the long term effect that sales promotion has on the health of the brand or brands you represent?

Brand building	67.8%
Neutral	17.7%
Detrimental	11.3%
Other	3.2%

6. Who places your sales promotion buys? (Check all that apply)

In-house	85.5%
Full-service agency	29.0%
Sales promotion agency	24.2%
Other	1.6%

ECONOMIC EYE

VIEWERS' CHOICE

According to Nielsen, the top-rated prime time program of the last 30 years is 1983's *M*A*S*H* finale. Over 60% of tv homes tuned in to the two-hour program. Super Bowl games account for five of the top ten spots, with *Dallas*' *Roots* (part VIII) and *Gone With The Wind* filling out the list.

MAGAZINE AD SCORECARD

	Ad Pages April 1989	% change from April 1988	Dollars spent (000)	% change from April 1988
1. Skin care, Creams, Lotions and Oils	286.94	49.5%	11,307.7	60.7%
2. Lip and Eye Beauty Products	170.35	48.8%	6,219.3	37.2%
3. Scents and Fragrances	259.43	8.0%	8,643.5	25.7%
4. Facial Makeup Products	76.79	−36.0%	3,217.7	−34.7%
5. Prepared Dinners and Entrees (including pizzas)	24.57	16.0%	1,874.5	3.2%
6. Liquor	362.85	29.3%	15,490.0	32.0%
7. Cigarettes	711.95	16.2%	40,727.5	20.0%
8. Soaps and Detergents	35.88	−34.3%	2,152.6	−39.5%
9. Passenger Cars, Domestic	683.94	38.0%	41,566.1	74.3%
10. Passenger Cars, Imported	513.80	−8.6%	27,635.5	−6.8%

Source: Publishers Information Bureau as prepared by Leading National Advertisers.

MEDIA COST INDEX

1985 = 100 ← 1988 → ← 1989 →

	July	% change	Aug.	% change	Sept.	% change	Oct.	% change	Nov.	% change	Dec.	% change	Jan.	% change	Feb.	% change
Network TV																
Daytime	81	−17	73	−14	146	+60	82	−16	80	−14	73	−10	77	−17	68	−15
Nighttime	110	+0.3	118	+4	118	+11	114	−9	113	−2	109	−2	122	+8	120	−19
Spot TV																
Prime time	–	–	125	−.8	141	+14	128	+6	104	+3	129	+5	141	+10	127	−2
Daytime	–	–	100	−14	107	+4	106	−5	102	−10	99	−6	116	+5	120	+11
Network radio	102	−0.5	111	+6	112	+5	131	+8	125	+10	119	+12	158	+8	142	+10
Spot radio	–	–	–	–	105	+2	–	–	–	–	110	−3	–	–	–	–
Consumer magazines	115	+5	114	+5	116	+6	115	+5	118	+6	119	+6	122	+6	122	+6
Natl. Sunday magazines	116	+13	128	+14	130	+10	130	+10	130	+10	130	+10	129	+10	129	+10
Business publications	117	+5	117	+5	118	+6	118	+5	120	+6	120	+7	119	+2	119	+2
Newspapers	124	+7	124	+7	123	+7	124	+7	124	+7	124	+7	131	+5	131	+6
Outdoor	123	+8	123	+8	123	+8	113	−4	113	−4	113	−4	113	−4	113	−4

Notes: Percentage shown is relative change from the same month/period the year before.
*Revised

Sources:

Nighttime Network TV- Cost per average 30-second spot, 7:30-11 p.m. Monday-Saturday and 7-11 p.m. Sunday from Broadcast Advertisers Reports' (BAR) Network TV Service.

Daytime Network TV- Cost per average 30-second spot, 10 a.m.-4:30 p.m. Monday-Friday from BAR's Network TV Service.

Network Radio- Cost per average 30-second radio announcement from BAR's Network Radio Service.

Consumer Magazines estimate based on reported SRDS cost of a page, four-color in 40 national consumer magazines, as reported by Magazine Publishers Assn.

National Sunday Mags estimate based on published (rate cards) costs of a page, four-color in the national entries.

Daily Newspapers estimate based on Newspaper Advertising Bureau report of SRDS costs per column inch of a sample of 784 newspapers weighted to represent the universe.

Outdoor Posters based on estimate prepared by Institutu of Outdoor Advertising.

Spot Radio index represents cost of a 60-second spot in the top 100 markets from data supplied to Radio Expenditure Reports by major radio representatives.

Business Publications estimates based on reported SRDS cost of a page, four-color in 48 publications representing 42 business and professional classifications.